Daily Report

Latin America

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First Southern Cone Integration Fair in Brasilia

PY0611143891 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 6 Nov 91

[Report by Antonia Marcia Vale]

[Text] Extraordinary Integration Minister Carlos Chiarelli opened the first integration fair for Southern Cone countries at the Town Park Exhibition Pavilion in Brasilia on the night of 5 November.

Some 500 Brazilian, Uruguayan, Paraguayan, and Argentine businessmen are participating in the fair, and the opening ceremony was attended by ambassadors from the three countries that comprise the Common Market of the South [Mercosur] together with Brazil.

According to Minister Chiarelli, the volume of business among the four member countries has doubled since the implementation of Mercosur, which was ratified at the end of September. Trade transactions totalled $4 billion last year, while they already total $8 billion this year. In Chiarelli's opinion, this shows the great trade capacity of the Mercosur member countries. It is expected that a great deal of business will be concluded at this fair, particularly in the agro-industrial field.

[Begin Chiarelli recording] Thus far, this is the most significant and largest Mercosur fair. It is not as large as we would like it to be, but there will be larger ones because our integration is increasing. [end recording]

The schedule for the implementation of Mercosur contemplates a gradual elimination of import duties between Argentina, Brazil, Paraguay, and Uruguay. Beginning in December, 47 percent of the duties will be eliminated; at the end of 1992, 61 percent will be eliminated; before the end of 1993, 75 percent will be eliminated; and in December 1994, the import duties will be zero for the majority of products traded between the four countries.

Amazon Cooperation Meeting Opens in Santa Cruz

PY0511134091 La Paz Television Boliviana Network in Spanish 0200 GMT 5 Nov 91

[Excerpt] A preparatory meeting for the fourth conference of foreign ministers of the Amazon Cooperation Treaty opened in Santa Cruz today.

The vice ministers and under secretaries of the foreign ministries of the member countries will meet for three days to evaluate and define the basic agenda for the conference of the foreign ministers of the Amazon region, which will open on 7 November. That meeting will seek to establish a joint position on various subregional issues. The conference will also study the need for territorial links between the member countries. A study will also be made of the necessary regulations for commercial navigation in the Amazon basin which will be ratified in the presidential meeting to be held early next year in Bolivia with the participation of the presidents of Bolivia, Brazil, Ecuador, Guyana, Peru, Suriname, and Venezuela. [passage omitted]

Iturralde Urges Joint Environmental Stand

PY1111123191 La Paz Television Boliviana Network in Spanish 0200 GMT 7 Nov 91

[Relay from Santa Cruz]

[Text] [Passage indistinct] Argentina, Bolivia, Brazil, Ecuador, Guyana, Peru, Paraguay, Uruguay, and Venezuela, which will seek a joint position for the protection of the environment. This position will be defined in the upcoming world environmental meeting to be held in Brazil in 1992.

Bolivian Foreign Minister Carlos Iturralde proposed to dynamize the Andean Pact through permanent meetings aimed at discussing and evaluating issues of subregional interest.

[Begin recording] I believe that the Andean Pact has not been functioning with the agility expected from this organization. We are now putting the Andean Pact into operation, and perhaps the essential issue for discussion will be the environmental problem. We, as Amazon countries, should seek a joint position in preparation for the upcoming world environmental meeting to be held in Brazil in 1992. Let me say that this is a preparatory meeting to seek a joint position as Amazon countries before that world meeting. [end recording]

Cuba

Acting Foreign Trade Minister on Havana Fair

FL0811025791 Havana Radio Rebelde Network in Spanish 0044 GMT 8 Nov 91

[Report by Carlos Santana Ojeda on the "Exclusivo" program]

[Text] A few minutes ago at the Ninth International Havana Fair, I had the opportunity to gather impressions of this trade event from Jose Ramon Fernandez, the vice president of the Council of Ministers, and acting Foreign Trade Minister German Amado Blanco. Let us listen.

[Begin recording] [Fernandez] I think the fact that the Ninth International Fair is being held in Havana is a sign of the development not only of Cuba's science, technology, capacity to hold exhibits, and export potential, but also—with the attendance there has been here—of the interest in the Cuban market and trade with Cuba in many countries on various continents.

[Santana] What has caught your attention most about the Cuban enterprises that are participating in this fair?

[Fernandez] I think there are many enterprises that are working in very important areas for the country's development and for coping with the special period. So, well, I think all this has to be given priority domestically, while in foreign trade, those that have the ability to sell, to export ...[changes thought] Here we have the acting foreign trade minister. Comrade Blanco, you can talk about this.

[Santana] Comrade Blanco, why do you not talk about the interest shown by foreign companies in marketing in Cuba and establishing joint enterprises in Cuba?

[Blanco] You were saying, Fernandez, how much there is that is new and important at this fair. I think the most important thing, what one notices the most, is the increase in those new products developed by Cuban science, primarily in medicine and biotechnology, and some high-technology medical equipment. Here one can begin to see the revolution's efforts over many years, the great, massive educational effort that we are now beginning to see the results. In addition, our country foresaw many years ago that these new product lines, (?biotechnology), would have a market, a future. Now you can tour the fair and see here in the Cuban part a number of new enterprises with their new products, which have aroused very great interest among all the visitors. These are products that do not ...[rephrases] They are very new. They are being patented in many country, but they are finding a place in the market. There are a number of vaccines that are exclusively Cuban. They are unique vaccines in the world, and we can see important markets. We can continue (?to search for) new markets. [end recording]

These are the impressions of Council of Ministers Vice President Jose Ramon Fernandez and acting Foreign Trade Minister German Amado Blanco, recorded exclusively for "Exclusivo."

Ross Opens Latin American Labor Union Meeting

FL0811024991 Havana Radio Rebelde Network in Spanish 0038 GMT 8 Nov 91

[From the "Exclusivo" program]

[Text] In opening a meeting of Latin American and Caribbean labor union organizations, Pedro Ross, the secretary general of the Cuban Workers Federation [CTC], has stated that it is time to find suitable means for joint action, unity, and solidarity.

[Begin Ross recording] This possibility is not based on ideological preconditions. It is not subordinated to any center. It responds solely to the freely expressed desire to preserve the interests of the workers and peoples in each country on this continent. The Cuban union movement is convinced that every person who honestly and honorably joins the struggle for the workers' interests will support this goal of unity. We are ready to participate in this effort at joint action, understanding, and unity and to work actively with all legitimately representative organizations. [end recording]

More than 100 delegates and more than 80 organizations, as well as 22 U.S. union officials, are attending this meeting of unions for workers' rights and freedoms in the face of neoconservative policies, at the invitation of the CTC and the Cuban Institute for Friendship With the Peoples.

National Bank Joins Telecommunications System

FL0711231891 Havana Radio Reloj Network in Spanish 2040 GMT 7 Nov 91

[Text] It was announced during a news conference in Havana that Cuban-made software has enabled our country to join the (?Swift) International Banking Telecommunications System. The initiative, by specialists at the National Bank of Cuba, has made it possible to overcome the impediments imposed by U.S. firms to block the acquisition of new software for accessing a banking information system of intercommunication and exchange, which includes 3,000 other entities throughout the world. This and other Cuban developments in the sector will be demonstrated during the 20th Meeting on Systematization of American and Ibero Central Banks, which is to be held at the Convention Center from 18 to 22 November.

Esteban Martell, assistant vice president of the National Bank of Cuba and president of the meeting, said that managers, information systems security chiefs, and marketing directors, among others, will attend.

CPUSTAL Seeks New Strategies for Workers

FL0711230291 Havana Tele Rebelde Network in Spanish 1800 GMT 7 Nov 91

[Text] Two events began this morning at the Palace of Conventions to review the status of unity among workers and women on the Latin American continent.

CPUSTAL, the Permanent Congress for Latin American Workers Trade Union Unity, has gathered representatives of the continent's labor organizations together in Havana to establish guidelines and goals for the current period. It is fitting to explain that CPUSTAL acknowledges that current economic and political changes in the world carry profound consequences for workers, that the move toward a global economy has created a deeper chasm between the rich and the poor, and that traditional practices of labor solidarity are no longer enough under the present circumstances.

During the two days here in Havana, CPUSTAL will seek a precise course of action for unity among Latin American workers, keeping in mind the realities of the continent and the world.

Ceremony Held at Monument to Soviet Soldiers

FL0811020691 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 8 Nov 91

[Text] The 74th anniversary of the Great October Revolution was commemorated today at the monument to the internationalist Soviet soldier. The ceremony began with the laying of a wreath at the monument that holds the remains of Soviet combatants who fell while fulfilling their duty in our country. Division General Ulises Rosales del Toro, the chief of the General Staff; Division General Julio Casas Regueiro, first vice minister of the Revolutionary Armed Forces [FAR]; other FAR chiefs and officials; and representatives of the diplomatic corps accredited in Cuba were present.

In accordance with a resolution of the Council of State, six Ernesto Che Guevara Orders, second class, and more than 40 Internationalist Combatant Medals, second class, were given to a group of Soviets who have helped to strengthen the combat readiness and training of our armed forces.

[Begin recording of Soviet officer Vasiliy Dmitriyevich Soroka, identified by caption, in Russian with consecutive translation into Spanish] Finding ourselves here, at this sacred place for Soviets, in memory of our combatants, we repeat once more our sincere gratitude to the Cuban people for the tribute paid to our comrades in arms who gave their lives while fulfilling their internationalist duty by defending the gains of the Cuban revolution. [end recording]

Soviet Veterans Given Special Medical Treatment

FL0711161891 Havana Tele Rebelde Network in Spanish 1200 GMT 7 Nov 91

[Text] Between 21 March 1990, when the first group arrived, and October 1991, specialized medical attention has been given to 296 Soviet soldiers disabled during the Afghan war. The soldiers were treated at the Frank Pais Hospital and Orthopedic Training Center where 147 were operated on [words indistinct] and 192 received artificial limbs.

Besides receiving attention at hospital facilities, the disabled Soviet veterans enjoy visits to recreation areas, cultural institutions, and socioeconomic organizations.

Venezuelan Official Calls For Blockade End

PA0711225291 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Nov 91

[Text] Venezuelan Foreign Minister Armando Duran reiterated on 5 November that the United States should lift the blockade against Cuba. He stressed that the reasons given by Washington for the measure have ceased to exist.

In a news conference in Caracas, Duran said the Cuban Government has the political will to make changes in the country. He added that Venezuela is not demanding or proposing changes to the island because this is a solely Cuban problem. The Venezuelan minister clarified that Cuba nas not requested that Venezuela supply it with petroleum. But if it does, he said, Cuba will be treated like any other client.

Dominican Republic

Government Credits Aristide-Appointed Ambassador

FL0711203891 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 7 Nov 91

[Text] The Dominican deputy foreign minister has reported that the Dominican Government recognizes only the ambassador appointed by President Jean-Bertrand Aristide. Fabio Herrera Cabral said that the government has not recognized and does not maintain diplomatic relations with the current regime in Port-au-Prince. He stated that only one ambassador is recognized in the Dominican Republic, Guy Alexandre, who was appointed by overthrown President Jean-Bertrand Aristide. Herrera Cabral thus responded to questions from HOY reporters about statements made by the charge d'affairs of the Haitian Embassy, (Mari Joelstein), who said that he had been appointed by the military government to represent Haiti in this country.

Immigration Told To Protect Haitian Refugees

FL0711203191 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 7 Nov 91

[Text] Groups of Haitian civilians who crossed the border into our national territory have been arrested in the border towns of Dajabon, Jimani, and Elias Pina. A report from Dajabon states that some 20 Haitian citizens have been given shelter at the Dajabon parish church. While members of the group were out in search of food, several were arrested by police officers. It was also reported that the parish priest asked to be detained along with the refugees.

Reports from the border indicate that most of the Haitian citizens fleeing the country are preachers and clergy afraid of political persecution in their country. There is an intense debate between the clergy and military authorities in Dajabon as to the facilities which should be made available to the refugees. Military authorities fear a stampede, which would crush any possibility the Dominican Republic has of helping, due to the financial and economic crisis being experienced throughout Latin America.

The director of the immigration office in Dajabon said that his instructions are to protect Haitians who arrive in the country without consideration for their political affiliation in Haiti. Virgilio Fernandez Cruz said that the ban on taking Dominican products into Haiti is still in effect, in compliance with the economic embargo imposed by the OAS against the Haitian authorities. The director of immigration in Dajabon added that the government is strictly complying with the OAS resolutions. Virgilio Fernandez Cruz said that trade between the two countries has been shut down.

Haiti

Court Issues Summons Against Aristide, Preval

FL0811143291 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 8 Nov 91

[Text] Haiti Television Nationale announced yesterday evening that two summonses have been issued against deposed President Jean-Bertrand Aristide and Prime Minister Rene Preval. The first summons is based on a complaint lodged by Mrs. Marie-Denise Claude following the assassination of her father, Reverend Sylvio C. Claude, the president of the Haitian Christian Democratic Party, in Les Cayes, in the southern part of the country by Father Aristide's partisans, as reported by numerous witnesses, on 30 September after the coup began.

The television also announced that another summons has been issued against Prime Minister Rene Preval, who has reportedly taken refuge in the French Embassy in Port-au-Prince since the 30 September military coup. The wife of an officer of the Haitian Navy, Major Wilner Louis, who was arrested with her husband last July for plotting against state security, has lodged complaints against Mr. Preval, who she accuses of having been present when she was tortured on an electric chair at police headquarters.

State television further said that three other summonses have been issued by Judge Henock Voltaire, within the scope of the legal action taken, against former Father Aristide's head of police, former Colonel Pierre Cherubin, Police Lieutenant Richard Salomon, and Jean-Claude Jean-Baptiste, the ousted government's delegate in Les Cayes.

Gonaives Pro-Aristide Rally Ended by Shots

FL0711141591 Port-au-Prince Radio Metropole in French 1700 GMT 5 Nov 91

[Excerpt] On 4 November, three priests were briefly questioned following a demonstration which was dispersed by the military. Here is a report by our correspondent in Gonaives, Fegerson Legros.

[Begin Legros recording in Creole] On Monday, 4 November, after Bishop Emmanuel Constant, accompanied by several priests from the Artibonite region, had finished celebrating a mass in honor of Saint Charles, patron saint of Gonaives, a group of soldiers from the Toussaint Louverture Barracks arrived at the church and shot several rounds into the air while the crowd was demonstrating for the return to power of Jean-Bertrand Aristide. The soldiers demanded that Father Gerard Dormevil, director of the Caritas Catholic organization in Gonaives accompany them to the military barracks. Father Gerard said that no one could make him leave except for Bishop Constant. So all the priests accompanied the bishop to the barracks. All of that happened following the demonstration as thousands of people standing in front of the Gonaives Cathedral were shouting: Down with the Army and up with Aristide. The demonstrators said that they do not have any representatives in the Senate because the Senators did not express the will of the people in the Artibonite. [passage omitted] [end recording]

Aristide Return, Prisoner Release Demanded

FL0711210891 Port-au-Prince Radio Metropole in French 1700 GMT 6 Nov 91

[Text] The Committee for Democratic Unity [KID] is demanding the release of several pro-Aristide demonstrators arrested in the Artibonite region. According to KID, these members of mass organizations were illegally apprehended within the framework of a protest movement demanding the return of the overthrown president.

KID believes that only the reinstatement of the overthrown president can prevent a civil war and the intervention of foreign forces in Haiti.

Demonstration Supports Embargo, Aristide Return

FL0811003491 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 7 Nov 91

[Text] About 50 people, mostly young, demonstrated briefly in the poor quarters of Cite Soleil in Port-au-Prince on 6 November in favor of the embargo and the return of the former president to power. During this demonstration, the first to take place in the capital since the 30 September events, the young people supported the embargo the OAS ordered against Haiti pending the former president's return to the country. These young demonstrators did not leave the quarter where they live, prefering to demonstrate on the spot because of the arrests and repressions that occurred among them following the 30 September coup.

Bazin Disputes Embargo Logic; Poses 'Solution'

FL0811020091 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 7 Nov 91

[Excerpts] Several political parties express opposition to the embargo the OAS has ordered against Haiti. Marc Louis Bazin, leader of the Movement for the Establishment of Democracy in Haiti [MIDH], stated that he is against any intervention by foreign forces in Haiti's crisis. He said the embargo will change nothing, and that only a Haitian solution, a peaceful, negotiated solution can put an end to the crisis. No foreign forces can solve the problems of democracy in Haiti, according to the MIDH leader, who added that the problem of democracy in Haiti is first and foremost an economic problem, and that it is the responsibility of all Haitians to build democracy together. Bazin asserted that the solution to the crisis resides neither in force nor in dissension.

He criticized all aspects of the embargo imposed by the OAS against Haiti. According to him, foreign nations are waging war against Haiti, but argued that Haiti's situation represents no threat to international safety and that (?he is not against President Bush's executive order). He believes President Bush's signing of this embargo against Haiti was a wrong decision. Let us listen to the MIDH president.

[Begin Bazin recording] [Word indistinct] ordered an embargo against Haiti because of a coup d'etat. Would they impose an embargo against Brazil if a coup d'etat occurred in Brazil? Would they apply an embargo against Argentina if a coup d'etat occurred in Argentina? I know they would not because there are too many countries that would be happy to take the Brazilian market, the Argentine market from them. They can do so in Haiti because we are not a solvent market, because we are a small market. Do not tell me the OAS looks for coups throughout Latin America, and that when they find one, they impose embargos, saying no more fuel, and so on. That is ridiculous.

In my opinion, using Haiti as a scapegoat to solve their own problems is not only unfair, it is also inappropriate and [word indistinct]. But there is another aspect to the issue. It is the logic of applying an embargo so democracy can be restored in Haiti. When will they know if democracy has been restored in Haiti? What is restoration of democracy in a country like Haiti, with such a low standard of living, and where there are so few democratic traditions? Does it mean you will do what Mr. Manley suggested, send a military force to occupy the country, to serve as a catalyst, a tie, as a mediator between the government and the Army, between the people and the rest of society? Well, let me tell you something. Haiti's problems cannot be solved by an external force because the problem of democracy is first and foremost an economic problem. [passage omitted]

In my opinion, if somebody wants to invade the country to restore or consolidate democracy, he must tell me how long he will stay, how much time it will take, and how much money he is willing to invest to prevent the situation from becoming worse for everybody. I am definitely convinced that the solution to the problem is neither embargo nor foreign intervention because any embargo and any scenario of foreign invasion would end up a tragedy, with Haiti and the Haitian people as its victims. [end recording]

According to Bazin, the OAS mission is unique in that it has already delivered its verdict. Nevertheless, he urges the OAS to reconsider the embargo and to play a role that can facilitate a real solution to the crisis. He asks the OAS to remain neutral on the Haitian situation. The MIDH leader asks the OAS to give up the embargo, to stop Aristide from thinking that the embargo is a positive action, and to recognize the current provisional government. [passage omitted]

Bazin believes that any negotiations not based on the commitment already made in the National Assembly through implementation of Article 149 of the Constitution will not have a chance of success.

Honorat Addresses Senate on OAS Negotiations

FL0711220491 Port-au-Prince Radio Metropole in French 1700 GMT 6 Nov 91

[Text] Prime Minister Jean-Jacques Honorat met on 5 November with the senators of the Republic to finalize elements of the [OAS] negotiations. Jean-Jacques Honorat repeated his stand: I am only a mediator, a catalyst in the current crisis. We are going to negotiate for respect for national sovereignty. Following is a report by Joseph Gaillot.

[Begin Gaillot recording] Prime Minister Jean-Jacques Honorat reaffirmed his faith in what he called a political solution to the crisis that the country has been facing for over a month. The head of the provisional government, invited by the Senate of the Republic to discuss negotiations between Haiti and the OAS delegates, told journalists that he was planning to act flexibly. Agronomist Honorat does not confuse flexibility with weakness. On this note, he cited the decision of Haitian parliamentarians, as soon as the crisis began, to adopt a series of

constitutional measures, a response he hopes the legislators will not forget. Asked whether the government intends to negotiate the return of Jean-Bertrand Aristide to power, Prime Minister Honorat said he does not consider the return of Aristide a political solution.

He left in the senators' hands the tentative schedule of meetings between OAS delegates and major local institutions, as well as information about the delegation. Prime Minister Honorat confirmed the arrival of the OAS delegation in Haiti on 8 November, without specifying which matters the authorities in Port-au-Prince intend to negotiate. Representatives of the OAS in Haiti agree on preparing for the return of Jean-Bertrand Aristide. Negotiation is the first step toward this goal. Honorat stated that the fuel shortage is only a political strategy.

On the subject of education, the prime minister said that 50 percent of the students responded positively to the opening of school on 4 November. He asks parents and students to consider the consequences of the boycott against the opening of school.

Belizaire Assesses Senate Role

FL0711235991 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 6 Nov 91

[Excerpt] Senate President Dejean Belizaire said that the Senate of the Republic is ready to meet with the OAS delegation that is due to arrive in Haiti. He said he is sorry that some people in the country do not understand that the parliament is an institution that must react unemotionally, with serenity, and in compliance with the Constitution. Belizaire believes, in any case, that a solution must be found to the crisis the country is going through.

[Begin recording] [Belizaire] The mission will be here to discuss the OAS resolution on Father Aristide's departure and possible return. I believe this is what the mission is coming to discuss.

[Reporter] The OAS mission will be here tomorrow. Are you ready?

[Belizaire] Listen. Inevitably, we are obliged to be ready. We have been ready since the day the crisis was triggered. It is because we have always been ready that we were able to manage the crisis by preventing the country from falling into catastrophe, to prevent it from becoming a bloodbath. Unfortunately, many citizens in the country do not understand this. They do not understand that we, the Senate of the Republic and the Chamber of Deputies who compose the Haitian parliament, are an institution and that, as such, we must react unemotionally, with calmness, and in compliance with the Constitution. That is what we did yesterday, it is what we will do today.

[Reporter] Do you think there is any possibility that a solution to this crisis can be reached through the OAS mission?

[Belizaire] The country must survive, it must develop, it must progress. It is therefore certain that a solution will be found. It may not come tomorrow morning, but it will come.

[Reporter] The National Assembly president has criticized the position of democratic countries that have imposed an embargo against Haiti. He announced the creation of a parliamentary committee to negotiate with the OAS delegation that will be in Haiti at the end of the week. The Senate president condemned the embargo against Haiti because he believes that only the people will suffer from it, and calls those who support the embargo, antipeople.

[Belizaire] States reputed to be democratic and willing to encourage the development of democracy are unfortunately more likely interested in leaning on their capabilities, their might, to solve the problem which is much more serious than they think. We therefore believe that we, who are on the scene and living through the situation, and who have a responsibility toward the Haitian people—because the responsibility is ours, not theirs; the country is ours; we are responsible for the development of the country—will ultimately find an appropriate solution to the crisis. [passage omitted] [end recording]

Deputies Fail To Reach Common Stance on Talks

FL0811144991 Port-au-Prince Radio Metropole in French 1700 GMT 7 Nov 91

[Text] The Chamber of Deputies has not reached a common stance on the negotiations to be initiated with the OAS mission that is to arrive over the weekend.

One member of the Deputies Bureau called the statement made by a colleague—suggesting that the Chamber had presented some conditions for a possible return of the ousted president—inopportune, thoughtless, and absurd. This statement, said the member of the bureau of the Chamber, does not accurately reflect the terms of the negotiations and could strike a blow at the normal continuation of the negotiation process aimed at a return to democratic order and to respect for the Constitution.

Parties' Positions Against Intervention Summarized

FL0811023491 Port-au-Prince Radio Metropole in French 1700 GMT 7 Nov 91

[Text] The entire political sector has reacted to the OAS sanctions against Haiti. The Movement for National Reconstruction [MRN] coalition headed by Rene Theodore, secretary general of the Unified Party of Haitian Communists, strongly denounced the commercial embargo against Haiti. MRN believes it a threat to the survival of the Haitian people, and that it will affect all social classes in a country already undermined by hunger and unemployment. MRN advocates a national solution to the crisis.

Movement for the Establishment of Democracy leader Marc Bazin holds the same position. To him, democracy does not require a solution of force. Bazin calls for unity against the embargo and foreign invasion.

The Assembly of Progressive National Democrats [RDNP], headed by Leslie F. Manigat, confirms its resolute opposition to any foreign military intervention for whatever cause and under whatever banner. RDNP also condemns all coercive actions, including embargo and other economic and social sanctions whose avowed purpose is to modify the internal political order of the Haitian state.

The National Agricultural and Industrial Party [PAIN] stated that the OAS has imposed measures close to a declaration of war on the Republic of Haiti. These measures include diplomatic isolation, suspension of economic assistance, and commercial embargo. PAIN therefore asserts that the Haiti-OAS conflict is no longer a simple question of a military coup or Aristide's return to Haiti. It has taken on a much greater magnitude involving the sovereignty and political independence of a nation.

We also note reactions from such other political parties as Mobilization for National Development; and the Democratic Movement for the Liberation of Haiti, previously known as the Democratic Revolutionary Party of Haiti. Both categorically oppose any foreign intervention in the Haitian crisis.

The Congress of Democratic Movements [CONACOM] has sent a delegation to international meetings on the Haitian political crisis. Assistant Secretary General Jean-Claude Bajeux will head a CONACOM delegation in Puerto Rico.

El Salvador

Cristiani on Honduras Trip, Peace Talks

PA0811041091 San Salvador TCS Television Network in Spanish 1200 GMT 7 Nov 91

[Text] President Cristiani said the purpose of his official visit to Honduras that began on 7 November is to strengthen existing relations between the two countries. He added that it is possible that during his visit both countries will lay the foundation for a free trade agreement consistent with the area's integrationist spirit.

[Begin Cristiani recording] The goal is to sign an overall free trade agreement. We are now taking the initial steps on the basis of bilateral agreements toward integrating the entire Central American region. As you know, the first treaty was signed between Guatemala and El Salvador. A few weeks ago Guatemala and Honduras signed another one. We hope that on this occasion El Salvador and Honduras will do the same. [end recording]

During his two-day visit, President Cristiani will be accompanied by the first lady, the foreign and economy ministers, and other government officials.

As for the dialogue process with the guerrillas, President Cristiani said that along with the demands the FMLN presented presented to the UN representative, the government expects the rebel front to promote a suitable climate for the talks.

[Begin Cristiani recording] One can expect that since the peace process is under UN auspices, the FMLN should encourage a suitable climate for the talks. However, the activities we have seen during the past few days do not contribute to forming the necessary climate for the peace talks. [end recording]

Cristiani stressed that despite the continuous sabotage of the electricity system, the government will not change its position in the dialogue process.

FMLN 'Will Not' Turn Over Suspects

PA0711233491 Paris AFP in Spanish 2201 GMT 7 Nov 91

[Text] San Salvador, 7 Nov (AFP)—The Farabundo Marti National Liberation Front (FMLN) said on 7 November that it will not turn in two former guerrillas implicated in the death of two U.S. military advisers.

Through its clandestine station Radio Venceremos, the FMLN said that "we will not deliver to Salvadoran justice, much less to the United States," the former combatants accused of killing two soldiers who survived a helicopter crash on 2 January 1991.

U.S. military advisers Ernest Dawson and David Pickett were flying from the Ilopango Military Airport in San Salvador to Soto Cano Base in Honduras when their aircraft was hit by rebel fire in Chapeltique, 145 km east of San Salvador.

"We could put the two combatants in the custody of a third country while the Salvadoran judicial system is improved," the rebel station said.

On 5 November, some 80 members of the U.S. House of Representatives asked the Salvadoran guerrillas to hand over the individuals responsible for the U.S. soldiers' deaths to either the U.S. or Salvadoran judicial system.

The former FMLN combatants are currently being detained on one of the FMLN's war fronts in the country's eastern region, where they are receiving training in handicraft skills, according to rebel sources.

When the incident occurred, the FMLN General Command admitted that two of its combatants had committed the crime that shocked the U.S. public. The General Command also promised to carry out a just trial under the supervision of international humanitarian organizations.

Calderon Sol's Remarks on ONUSAL Assessed

PA0711185991 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 2 Nov 91

[Text] On 1 November, Armando Calderon Sol [the mayor of San Salvador] furiously lashed out at ONUSAL [UN Observers for El Salvador] and threatened to report them internationally if they do not condemn the Farabundo Marti National Liberation Front. Calderon Sol's braying was different this time, however. He did not use the specter of the Anticommunist Front to attack ONUSAL. He said that he will report ONUSAL before the international community. He failed to realize, however, that it is the United Nations, the highest level international organization, that backs ONUSAL.

The truth is that Calderon Sol is uncomfortable with the fact that ONUSAL has installed itself in the country despite the threats of the Anticommunist Front and the iron opposition of military officers and the Nationalist Republican Alliance [Arena], to which he belongs. The death squads complain that their hands are not entirely free to keep killing with impunity. Calderon Sol angrily criticized ONUSAL also because of the UN efforts to bring peace to the country. To criticize with good reason is not bad, but it is bad to attack one organization that is already part of the Salvadoran people. If anyone comes out the loser in ONUSAL's balance, an assessment, rather than threats, should be made. If Calderon Sol views ONUSAL as a muzzle on the military and the people of Arena, let him bear with it because in this country there is no more room for the impunity of members of death squads such as him.

Guatemala

Government Investigating Alleged DEA Kidnapping

PA0711153591 Guatemala City PRENSA LIBRE in Spanish 5 Nov 91 pp 2, 16

[Text] The Presidency's Public Relations Secretariat announced on 4 November that the Guatemalan Government has begun investigations to clarify the case of

Nicaraguan Douglas Gadea Morales, who was reportedly kidnapped and taken out of Guatemala by alleged DEA agents.

It was said that although the government had no official knowledge of the case, instructions were issued to the Attorney General's Office to investigate everything concerning the case. According to his relatives, Gadea Morales was kidnapped in September and taken to the United States to be tried on drug trafficking charges.

Attorney General Acisclo Valladares Molina confirmed to the press that it asked the appropriate courts to investigate Gadea's alleged detention and to verify if, in fact, he was removed from the country illegally to be tried in Miami, Florida.

Valladares stressed that the Guatemalan Government is making efforts to prevent actions by drug traffickers, who are using the country as a center of operations to transport their shipments to the United States. However, he added, the government disagrees with illegal actions such as those attributed to DEA agents, who reportedly kidnapped Gadea.

Meanwhile, Deputy Government Minister Cesar Augusto Villalta Perez told PRENSA LIBRE on 4 November that the Attorney General's Office is in charge of the investigations to ascertain the whereabouts of Gadea Morales.

Villalta was very cautious in his statement. However, he said that the government would not permit any illegal action such as the alleged kidnapping of Gadea Morales. He reiterated that the government ministry will continue its struggle to eradicate drug trafficking in Guatemala.

Gadea Morales was reportedly detained on 22 September in one of the hangars at the La Aurora Airport as he was heading to his home, located in Zone 10 of Guatemala City. The Attorney General's Office confirmed that three other individuals who were accompanying Gadea were arrested and are currently under preventive custody in a jail in Zone 18.

Honduras

Government Confronts Wave of Labor Problems

PA0711225591 Paris AFP in Spanish 1905 GMT 6 Nov 91

[Excerpts] Tegucigalpa, Nov 5 (AFP)—As 50,000 workers get ready to begin a general strike on 7 November to protest the firing of workers at two U.S. firms, 4,000 National Enterprise for Electric Power (ENEE) workers seized the company's installations on 5 November to protest the possible privatization of some of the firm's services.

The Callejas government continues its attempts to solve the conflicts at the multinational banana and mining corporations, whose operations in northern and western Honduras have been paralyzed.

With two unsolved labor problems, which threaten to escalate with the union federation's call for a general strike on 7 November, the Callejas administration must confront the labor conflict directly.

On the morning of 5 November, ENEE workers demonstrated in Tegucigalpa to express their solidarity with the workers fired by the banana producing Tela Railroad Company and the mining American Pacific Company (Anpac).

The privatization of ENEE, which was announced by Central Bank President Ricardo Maduro a week ago but denied by Finance Minister Benjamin Villanueva, is one of the economic adjustment program measures demanded by international financial organizations.

The Honduran Cement Industries Union, which was bought last week by the Military Social Security Institute, has also decided to strike on 7 November because several workers were fired but have not been paid their social benefits.

After several unsuccessful government attempts to solve the labor problems, President Callejas is personally trying to solve the Anpac conflict. It started 36 days ago when the firm fired 43 workers; nine union leaders, who were promoting the formation of an independent union; and 90 members of a pro-management union, who backed their companions.

After a 16-hour meeting at government house, which ended in the early hours of 5 November, Anpac accepted only the return of 18 workers but refused to pay their social benefits or to reinstate the leaders. [passage omitted]

The National Trade Union Federation of Honduran Workers announced that, in addition to the strike, they will take other measures of pressure such as seizing bridges. The workers union of the Standard Fruit Company, which is the second U.S. banana company operating in Honduras, decided on 6 November to join the strike.

In an attempt to find a solution to the Tela conflict and working against time, President Callejas has met with the parties to avoid the general strike, announced for 0600 on 7 November. The president said the strike would "be disastrous" for the country's economy.

Nicaragua

Government, FSLN Call For Dialogue

PA0711233291 Managua Sistema Nacional Television Network in Spanish 0200 GMT 6 Nov 91

[Text] At the end of their talks, the Government and the Sandinist National Liberation Front [FSLN] urged the people and the workers to solve problems through dialogue.

Maria Elsa Suarez reports that during this meeting the two sides ratified the agreements reached during the concerted effort talks, particularly regarding aspects such as the return of properties and worker participation in privatization plans.

[Begin recording] [Suarez] The meeting between the Government and the FSLN was held behind closed doors and lasted eight hours. It was attended by the cabinet members, headed by Antonio Lacayo, and all the members of the FSLN National Directorate.

[Lacayo] We ratified the agreements reached during phase one and two of the concerted effort talks. These agreements clearly spell out the procedures that will be followed in the privatization plans to guarantee worker participation. These agreements also guarantee that the rights of others and the job sites will be respected. We said that we all have to increase our commitment to keep the country stable. We feel we made a lot of progress today, especially emphasizing that it is through dialogue and negotiation that we will settle conflicts in the Nicaraguan society.

[FSLN National Directorate Member Daniel Ortega] We feel it advisable to issue a call to the Nicaraguan people, particularly the workers, so they will promote negotiations and talks. Let dialogue prevail to solve current problems. We clearly identified two very delicate issues: the return of properties and worker participation in the privatization of enterprises. I am referring to the 25-percent issue. At this meeting with the Government, we ratified the agreements reached in the concerted effort talks. We feel that they are a starting point to continue talks and negotiations that will lead to overcoming the climate of instability and tension the country is experiencing.

[Suarez] Lacayo referred to the incident that occurred at the Labor Ministry between the workers and the police.

[Lacayo] The police force knows what to do to fulfill its constitutional mandate. We feel that situations that lead to the use of tear gas or use of force should never occur. However, policemen must react as policemen in situations such as those that happen in Nicaragua occasionally. Thank God, it is occasionally. We feel such incidents should happen even less. If these policemen were to react differently, they would not be policemen.

[Suarez] In the meeting they discussed the problem at the sugar refinery.

[Lacayo] The Government and the FSLN formed a commission. It will analyze the process to privatize the sugar refineries and the work schedule for that. Thus, we urge sugar refinery workers to trust this commission fully. It will look into these matters. We need sugar refineries to work normally again for the sake of the country's economy.

[Ortega] The Nicaraguan Enterprise for Staple Foods is not being privatized; the government told us. We were told that regarding the sugar refineries, the workers' opinion will be taken into consideration. The FSLN stand is one of support for the workers in the privatization of sugar refinery. Our position is very well known. The FSLN does not oppose privatization but does support the workers' participation in it.

[Suarez] Lacayo referred to remarks by Assembly President Alfredo Cesar with regard to a possible decree announcing a state of emergency.

[Lacayo] The assembly president can give his opinion on behalf of the assembly. However, the state of emergency can only be declared by the executive branch. Thus, we feel he is not authorized to talk on behalf of Violeta Chamorro. We feel it is abusive of him to talk on behalf of the president. The president has never considered declaring a state of emergency in Nicaragua. [end recording]

Government-Recontras Talks Suspended

PA0811030491 Managua Radio Catolica in Spanish 1130 GMT 7 Nov 91

[Report by Gerardo Sanchez Montalvan]

[Text] Talks scheduled for 6 November in La Trinidad, Esteli Department, between the recontra general staff and Government Minister Carlos Hurtado on behalf of the executive branch, were called off. The reasons why the talks were suspended are unknown. A recontra source blamed the suspension on the government's lack of seriousness and failure to keep its agreements. The government, in turn, proposed a meeting for 8 November, in the heart of the city of Jinotega. Commander Dimas [Francisco Baldivia] did not accept the offer.

Democratic Forces for National Salvation guerrillas have returned to areas deep in the mountains. The rebels are gradually abandoning the security zone agreed on with the government. Post-war tension is now enveloping Nicaragua's northern region. The talks between the rebels and the government have been suspended indefinitely. President Violeta Barrios de Chamorro suspended the inauguration of the National Disarmament Brigade, which was scheduled for 6 November. Approximately 60 recontras would have been actively involved.

Peasants in northern Matagalpa charged that last week a Sandinist Air Force helicopter for four days brought supplies to a contingent of recompas [former Sandinist servicemen who have grouped together to face the recontras] at the Sandinist People's Army [EPS] military base, located on Pancasan Mountain. Since the war the base has served as a logistical center for resupplying troops of the EPS top command. We will soon report further details on the military situation in northern Nicaragua, which worsened with the suspension of the talks.

News Conference on FSLN Meeting Results

PA0811011491

[Editorial Report] Managua Sistema Nacional de Television Network in Spanish at 0400 GMT on 6 November broadcasts a 26-minute news conference held by the cabinet ministers who participated in a meeting on 1 November with the Sandinist National Liberation Front, FSLN. According to the report, the news conference was led by Presidency Minister Antonio Lacayo, with the participation of Labor Minister Francisco Rosales; Dayton Caldera, director of the National Corporations of the Public Sector; and Finance Minister Emilio Pereira.

Antonio Lacayo starts by stating that the FSLN party leadership was invited to the 1 November meeting to discuss the situation occurring with some Sandinist labor unions. Lacayo says: "In our opinion, this current situation is the direct outcome of statements made by that party's leadership in the past two to three weeks, which were a real surprise to us." Lacayo says that during the 1 November meeting important issues of common concern were discussed: national security, aspects of the economic program, and the return of properties and worker participation in private enterprises.

A reporter asks, where do these meetings leave the concerted effort since the government is meeting only with the FSLN. Lacayo replies that the concerted effort is a forum where the government meets on a regular basis with the labor unions and the business sectors, adding that this forum continues. Lacayo says the government invited the FSLN to a meeting in the same way that the National Opposition Union, UNO, parties have been invited to a meeting on 11 November, also to discuss the current national situation. Lacayo stresses that the most important aspect of the meeting was the FSLN's ratification of the agreements reached during phase one and phase two of the concerted effort talks. Lacayo mentions that at the meeting it was decided that all Nicaraguans should be "committed to the nation's stability, social peace, and the duty to respect private property and the rights of others, stressing that the takeovers of homes, companies, or lands will not be tolerated."

A reporter asks if the government is going to meet with the other political parties, as some political leaders charged the government is only meeting with the FSLN. Lacayo replies: "It is the democratic government's obligation to open the doors to dialogue with all the political forces." He says the meeting with the FSLN was not part of the concerted effort talks, which is a forum established among government and private sector workers.

A reporter asks Labor Minister Rosales if, after the talks with the FSLN, will it be business as usual tomorrow in Nicaragua? Rosales replies that it depends on what the media reports to the people. Rosales says he learned that former President Daniel Ortega already addressed the community on Radio Ya calling for calm and order. The labor minister says that as of 7 November the situation at the Nicaraguan Enterprise for Stable Foods and the sugar refinery should get back to normal.

A reporter asks Caldera if, after the meeting with the FSLN, will the sugar refinery return to normal business. Caldera says yes they will, adding that after this meeting, in which the concerted efforts agreements were ratified, they agreed that dialogue and negotiations are the way to resolve any conflict that might come up. Caldera adds that two commissions have been established to follow up the concerted effort agreements.

A reporter asks Pereira to note the main points discussed with the FSLN and if the economic program was discussed. Pereira replies that Nicaragua could not exist as it now does without the concerted effort. Pereira adds that the economic stabilization program was a direct result of the concerted effort talks. Pereira says that a government such as President Chamorro's cannot sit back and let the two extreme forces block the nation's development. That is why the government invited the FSLN to iron out their differences. We are pleased, says Pereira, that the FSLN has publicly stated that it will support the stabilization program. With this in mind two commissions had been set up.

A reporter asks who are the members on these commissions and how often will they meet. Lacayo answers, stating that as of 7 November one of the commissions, chaired by Dayton Caldera and Jaime Wheelock, representing the FSLN, will start working on the sugar refineries' privatization. He added that the other commission, which already exists, will be for routine communications with the FSLN.

A reporter asks what is the government's opinion on charges by some UNO sectors and the FSLN that the government has no control over the situation and that there is general chaos in the nation.

Lacayo responds that it is incredible "that both sides coincided in their statements." Lacayo added that the Nicaraguan community has always been ruled by a big stick, and unfortunately it continues to sympathize with this system. Now that we have a government that wants to rule within the state of law, many Nicaraguans call for a hardline government. People must understand, he says, that we are undergoing major changes toward democracy, a different democracy than what we had 20, 30, or 40 years ago.

A reporter asks if the government now trusts the agreements reached with the FSLN at the concerted effort talks, during which they had stated there would be no more strikes.

Lacayo replies that the FSLN did not participate as a political party in the concerted effort. The National Workers Front, as a labor union and a private sector association linked to the FSLN, had participated. What has been clearly established today, says Lacayo, is that

the FSLN, as a political party, has ratified those agreements, which we consider a major step. Let us hope that on 11 November the UNO parties will also ratify these agreements, he adds.

A reporter asks: "What happens if the FSLN ratifies these agreements today and tomorrow the labor unions turn around and refuse to return to the government or the private enterprises?"

Lacayo replies that while the labor unions remain in Sandinist hands they will undoubtedly respond to the party's guidelines.

Government Reports on Violence at Sugar Refinery

PA0811044791 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 5 Nov 91

[Text] The Government Ministry made an official announcement on 4 November on the attack on Finca San Pedro Estate in La Concepcion, Masaya Municipality, where a group of cooperative farmers tried to evict the Lopez Quintero family. The Quintero family owns the estate. The ministry report also covered the incidents that took place at the German Pomares Sugar Refinery, where one citizen was killed.

Three members of the Lopez Quintero family were injured in the attack that lasted over three hours and ended with the eviction of the family by the cooperative farmers. The Government Ministry delegate in Region 4 pointed out no one has been arrested so far and that the police will investigate the case.

[Begin Government Ministry Delegate Felix Palma recording] We have instructed the police chief to investigate the case and process all individuals implicated in this brutal attack against the Lopez Quintero family. [end recording]

Following the attack on the Finca San Pedro, another group of demonstrators from La Concha burned the Sandinist National Liberation Front [FSLN] building and disarmed two Army soldiers. The Government Ministry condemned the burning of the FSLN building at La Concha.

[Begin Government Ministry Spokesman Frank Cesar recording] We also condemn the attack on the FSLN house. There is no reason why any citizen, regardless of his political beliefs, should destroy the home or office of any Nicaraguan citizen. [end recording]

In addition, the Government Ministry flatly denied that the weapon found on the citizen killed in the confrontation among the workers of the German Pomares Sugar Refinery was registered as belonging to the ministry.

[Begin Cesar recording] We wish to avail ourselves of this opportunity in order to deny categorically some information that has been reported by the media to the effect that the 357 Magnum pistol carried by the citizen who was killed, Obdulio Herrera, belongs to the Government Ministry. [end recording]

The ministry spokesman added that no one has been arrested in connection with this incident, but investigations are under way to find the person who shot Herrera.

Cesar also confirmed that on 3 November there was an attack on the residence of Vice President Virgilio Godoy. He pointed out that the ministry insists on providing personal security to the vice president and his family.

Police Evict Workers From Labor Buildings

PA0711220191 Managua Radio Sandino in Spanish 1200 GMT 6 Nov 91

[Text] Approximately 100 antiriot police in 20 patrol cars were mobilized to evict workers who took over the Labor Ministry buildings for a few hours on 5 November. About 12 of the disgruntled workers, who demanded a salary increase, were arrested by the police on the streets around the Labor Ministry offices, located in the neighborhoods of San Antonio and San Sebastian. Some police were hit by rocks as they fired tear gas canisters with their weapons. The police used unnecessary violence when they arrested 12 of the workers, who were handcuffed and taken to Palo Alto. The operation, which lasted a couple of hours, occurred after another group of workers had been evicted from the Finance Ministry buildings that morning, at the request of Finance Minister Emilio Pereira.

Vice President Reports Sandinist 'Death Squad'

PA0711215891 Paris AFP in Spanish 2148 GMT 6 Nov 91

[Text] Managua, 6 Nov (AFP)—Nicaraguan Vice President Virgilio Godoy reported on 6 November the appearance of an alleged death squad formed by former Sandinist soldiers, who reportedly seek to "eliminate" prominent Nicaraguan politicians.

Godoy told Radio Catolica that this group, which he called "White Hand," the name of a rightist death squad which existed in Guatemala, has plans to kill anti-Sandinist personalities. He noted that a group of unidentified individuals opened fire on his Managua home early on 3 November.

Godoy also said the wave of violence in the country, which has already claimed the life of one person, is aimed at bringing the government of Violeta Barrios de Chamorro "to its knees."

The vice president said the present social agitation in the country is aimed at "drawing" national and international attention away from the "theft" of properties by the Sandinists prior to leaving office in April 1990.

Since Violeta Barrios took office in April 1990, Godoy has remained apart from the government and refuses police protection.

PLI Deplores Chamorro Silence on Godoy Attack

PA0811035191 Managua Radio Sandino in Spanish 1200 GMT 7 Nov 91

[Text] In a communique, the Independent Liberal Party's [PLI] National Executive Committee has deplored President Chamorro's guilty silence over the shots that were fired at the house of Vice President Virgilio Godoy on 2 November.

According to the PLI communique, Chamorro's government and the Sandinist National Liberation Front will be held responsible if anything happens to Vice President Godoy or any member of his family.

The PLI reminded President Chamorro that the votes that she obtained during the elections were also cast in favor of Godoy and asked her to have the Government Ministry investigate the case.

Godoy has repeatedly turned down the bodyguards assigned to him. He also will not let guards protect his house.

Government, FSLN Form Privatization Commission

PA0811043191 Managua BARRICADA in Spanish 6 Nov 91 pp 1, 8

[Excerpt] [passage omitted] Presidency Minister Antonio Lacayo announced on 5 November that the Government and the Sandinist National Liberation Front [FSLN] agreed to form a joint commission that will be in charge of analyzing the privatization process. This commission will be made up of Dayton Caldera, Ricardo Barrios, and Joaquin Zavala who will represent the government, and Jaime Wheelock and Luis Carrion of the FSLN. [passage omitted]

Panama

Endara Expresses Regret Over Soldier's Death

PA0811030691 Panama City Circuito RPC Television in Spanish 2300 GMT 7 Nov 91

[Text] In his regular weekly news conference on 7 November, President Guillermo Endara said he regretted the death of a U.S. soldier, but he partially justified the attitude of the Panamanian officer. At the beginning of the news conference, Endara announced that the Cabinet had approved the internal regulations of the Consultative Council for the canal area and the establishment of an executive directorate. The object of the council is to regulate all matters related to the properties located in the canal area that have been reverted to Panama. Endara was also questioned about the killing of a U.S. soldier under as of yet unexplained circumstances. This incident prompted the United States to file a letter of protest to our country.

[Begin Endara recording] I do not think that the nationality of the person killed should have a special bearing under Panamanian justice. I think that U.S. Ambassador Deane Hinton is doing his job in protesting the death of a citizen from his country. We must also perform our duty and see that justice is carried out. We cannot trample on a Panamanian citizen under the pretext that a major power lodged a protest, chiefly when the case involves a Panamanian citizen who was serving the country by working for the police. [end recording]

Endara later commented on the circumstances under which the incident took place.

[Begin Endara recording] The U.S. soldiers were in a known high-crime area. That area has been repeatedly raided for drugs. The police were correct to stop a car that was driving with its lights out under suspicious circumstances. The fact that the car sped away created a special situation. The job of the police is to combat drugs, and they may have believed that drugs were being taken from the area. I feel that the two policemen involved, chiefly the one that opened fire, should receive fair and adequate treatment by Panamanian justice. They should not be trampled on simply because the dead person, and I deeply regret his death, is a citizen of a major power. [end recording]

The president was then asked about his order to the heads of state entities to comply with announced economic guidelines, something that has made him the target of criticism.

[Being Endara recording] It amuses me that sometimes I am accused of lack of leadership, but when I exert my leadership, I am accused of being a dictator. [end recording]

Official Backs Policeman in Death

PA0711192891 Panama City Telemetro Television in Spanish 1736 GMT 7 Nov 91

[Excerpt] The Attorney General's Office is investigating the killing of a U.S. soldier by Panamanian policeman Juan Arauz. The investigation will conclude with a hearing that will include evidence in favor of and against the accused.

On November 6 the Assistant Prosecutor's Office ordered the arrest of Corporal Juan Arauz, who opened fire on the vehicle in which four U.S. soldiers were riding, killing Private First Class Haile Mikael Childs [as heard]. The first reports on the case indicate that the U.S. soldiers ignored the order to stop when they were driving in the wrong direction on a one-way street.

The U.S. Embassy has filed a protest on the incident, which it called "tragic." The Panamanian policeman is being investigated for the wrongful use of his regulation weapon because he failed to follow the established procedures before using it.

Government and Justice Minister Juan Chevalier supports the policeman who opened fire on the U.S. soldier, adding that he does not know what the U.S. ambassador said—and he does not care.

[Begin recording] [Chevalier] Bear in mind that the area where the incident occurred is known for its high crime rate and drug trafficking, not to mention the hour at which the situation occurred.

There was an automobile carrying approximately four persons traveling in the wrong direction with its lights off. The driver was told to stop and was urged to get out, the policemen got out of their vehicles to request identification, and the people in the vehicle fled from the scene. They drove over the sidewalk and fled. I believe that the policemen in the patrol car were correct. Unfortunately, a young man was hit by a bullet. Remember that we are living in a highly dangerous situation, in regard to crime and drugs. Unfortunately, this young U.S. soldier was killed.

[Reporter] Mr. Minister, does this turn...

[Chevalier, interrupting] We must bear in mind the circumstances. [end recording]

Chevalier said that normal procedures were followed concerning this case, adding that the government has nothing to hide. He said that he knows nothing about the U.S. Goverment's protest.

[Begin Chevalier recording] I do not know what Ambassador Hinton said and I am not interested in what he has to say. I am the government minister, not the foreign minister.

We must provide protection and fair treatment for the National Police members who acted that night. Rest assured that I will fully endorse that. [end recording]

Chevalier asserted that those who talk about excessive use of force by the police do not know what they are talking about. [passage omitted]

Government Official on Shooting

PA0711144291 Panama City Radio KW Continente in Spanish 1220 GMT 7 Nov 91

[Passages within quotation marks are recorded]

[Text] Assistant District Attorney Carlos Herrera Moran has ordered the preventive detention of Corporal Juan Arauz for firing his M-16 rifle at U.S. soldiers early on 5 November. U.S. serviceman Haile Mikael Childs [as heard], who was shot in the back, died at Gorgas Hospital. According to Herrera, Arauz said that the U.S. soldiers were carrying no weapons, but it was impossible to establish this because the yankees had fled. No one knows what they had in their vehicle, which was coming from an off-limits area commonly referred to as The Bunker. This is Assistant District Attorney Moran:

[Moran] "The policeman said that the occupants of the vehicle carried no weapons. The driver of Patrol Car 16, in turn, said that at no time did the vehicle's occupants fire on the members of the Public Force. Nevertheless, the policeman fired five shots with his M-16 automatic rifle. The Public Ministry believes that the use of a firearm is an extreme measure and that a firearm should be used only after all other means have been exhausted to stop, check, or capture an offender or suspect. In this case, the technical regulations governing the use of firearms were ignored. Consequently, there are grounds for arresting the policeman. For this reason, the Deputy Prosecutor General, by mandate of law, has issued a warrant for the preventive arrest of the policeman who fired the shots during the early hours of 5 November, shots that resulted in the death of the U.S. serviceman."

In turn, members of the Public Force feel unprotected and humiliated. They consider Arauz to have fired because the yankees disobeyed an order to stop. Some of these policemen had this to say:

[Unidentified policeman] "This is my personal opinion. If I were on Clayton or any other military base in the canal area, which is Panamanian territory, and did not stop at a checkpoint, no U.S. military policeman would hesitate to open fire against the violator. This particular incident happened in Panama. The soldier disobeyed a traffic signal. It has been determined that drugs had been used at the location from which he was coming. What were the U.S. soldiers doing at such a place at such a time? I wish the foreign minister, the deputy foreign minister, or even the president of the Republic or the prosecutor general, had the moral authority to answer this question. It is high time that members of the Public Force are obeyed."

[Second unidentified policeman] "What was the American doing at this off-limits location with his car headlights off and on a one-way street? This should be looked into. Why not? Now the prosecutor wants to find out about the M-16 rifle that was fired. They want to blame us because the dead person is an American and because a Panamanian shot and killed him. Why do our authorities not say anything about the Panamanians killed by the U.S. forces during the invasion? We are calling on the president to resolve the problem as best as is possible. We have learned that there were 14 tanks on Ancon Hill last night. Does this mean we are going to suffer yet another invasion?"

[Third unidentified policeman] "The Panamanian authorities and the present government should stick up for us. It is true that the Americans were in an off-limits area and they should admit it. Let us bear in mind that there is a curfew in effect for them, according to which all yankees should be on their bases by 0200. We did not establish this curfew. They did. The government should stick up for us because we are trying to keep under surveillance places like the one where the incident occurred, where there is large-scale drug trafficking."

People wonder whether Corporal Arauz will be handed over to U.S. authorities or be tried in Panama.

Students Stage Protest, Burn U.S. Flag

PA0711124591 Panama City Telemetro Television Network in Spanish 1720 GMT 6 Nov 91

[Passages within quotation marks are recorded]

[Text] This morning National Institute [secondary school] students burned the U.S. flag and staged a series of protests to reaffirm their antigovernment position. The students marched peacefully around the school building and burned the American flag on Los Martires Avenue. A similar attempt on 4 November, resulted in a confrontation between students and members of the Institutional Protection Service during the Independence Day celebrations. The authorities arrested four students, including two university students.

Martin Castillo, a Revolutionary Students Front leader, explained the significance of today's protests:

[Castillo] "We burned the U.S. flag on Los Martires Avenue in a peaceful manner. We did this to reject the yankee troops. These people entered Panama on 20 December [1989] and proceeded to kill and shed the blood of many Panamanians who were innocent of the events that were taking place on that day.

[Reporter] "Is it true that university students are behind these events?

[Castillo] "No. University students are not behind us. We are capable [secondary school] students and I feel that I am qualified to be a group leader. Why not? We are all students working to become capable leaders.

"We will continue to protest despite our being persecuted by the school principal. We have just been informed that school authorities will continue to investigate students who took part in the 14 October incidents, and that they will continue to persecute us and will not rest until our group has been buried.

"We issue a call to the Education Ministry and the school principal to tell them that, from now on, we hold them responsible for anything that may happen to any student."

The different organizations within the National Institute denied that there is any internal division and indicated that they had not saluted President Endara.

[Unidentified student] "This morning the captains of the marching band explained what happened. They said that they had no intention of saluting the president. What happened was that he was taking his glove off as he passed the president and it was taken as a salute. This is why the National Institute today peacefully protested and burned the U.S. flag. We wanted to show that we did not salute the president on 4 November because we are not happy with the present government. What we wanted to do was to salute our flag.

[Reporter] "What is the position of the different organizations within the National Institute?

[Student] "The position of all the organizations within the National Institute is one of unity. We are united against a common enemy no matter who this common enemy might be. This common enemy wants to harm us and eliminate the movement inside the National Institute. It is an enemy who wants to break up student activities at the National Institute. For this reason, we have decided to join our forces and close ranks within the National Institute. We are doing this to show that the National Institute will not lie down that easily and that it will continue to make its presence felt."

Bertildo Mejia, the Education Ministry's Director of National Education, stated that he disapproved of protests during ceremonies organized to honor the nation.

[Mejia] "They have taken advantage of this significant moment to adopt a position of which I am sure the public does not approve. However, investigations as to who participated in these incidents should be conducted by the principal's office of the school in question. The University of Panama should investigate the case of its students who participated in these incidents.

[Reporter] "Do you believe that the use of force was necessary?

[Mejia] "I disapprove of the students' attitude and that of those who suppressed them, if they were repressed. I believe that in both cases there should be respect for human dignity. I believe that all Panamanians should be more aware of the significance of this date and behave according to each person's definition of what a Panamanian should be."

Rights Group Protests Actions Against Students

PA0711183991 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Nov 91 pp 1, C-15

[Communique issued by the People's Coordinating Board for Human Rights in Panama on 5 November in Panama City]

[Text] On 4 November, when our country celebrates Flag Day as part of the festivities to mark Panama's independence from Colombia, members of the Institutional Protection Service (SPI), which provides security to the Presidency, took actions against secondary school and university students. These actions are an expression of the government policy of repeatedly disrespecting human rights.

The People's Coordinating Board for Human Rights in Panama, Copodehupa, expresses its most vigorous protest to the government of Guillermo Endara Galimany, SPI Director Carlos Bares, and the perpetrators of the violent actions that have affected the rights of students from the National Institute secondary school and the University of Panama Law School, parents, and the general public.

During the aforementioned repressive action, students were violently and arbitrarily detained as they tried to peacefully express their discontent over the U.S. military

presence in Panama and the national government's policy against the people. The students were beaten, and some of them were injured, threatened with death, and physically and mentally tortured. Four students were detained for more than 25 hours without just cause and prevented from talking to their lawyers or their relatives.

Copodehupa views with deep concern the fact that the UN Declaration of Human Rights, which our country has signed, was violated through this repressive action. The declaration's Articles 5, 9, 19, and 20, which guarantee a right to security and freedom of speech, movement, assembly, and association were violated. The aforementioned security agents violently hindered the people's right to be informed when they prevented journalists from doing their job.

The Panamanian Constitution and individuals rights were disrespected at a time when the country is celebrating its sovereignty and self-determination as a free country.

As a nongovernmental organization in defense of human rights, Copodehupa demands that the national government strictly abide by all laws that establish total respect for the lives and rights of citizens.

Copodehupa also calls on all national and international human rights organizations to be alert and to express their concern over the dramatic incidents that have taken place and to demand that the national government change its policy in view of the needs and rights of the majority of the people.

Denunciation Commission
Panama City, 5 November 1991

Argentina

Menem Discusses Purpose of Middle East Visit

PM0711160191 London SAWT AL-KUWAYT AL-DUWALI in Arabic 4 Nov 91 p 10

[Interview with President Carlos Menem by Ibrahim Khayyat in Buenos Aires; date not given]

[Excerpts] [Khayyat] What was the purpose of your tour of the Middle East?

[Menem] The main aim was to consolidate our bilateral relations with the two countries I visited, namely Israel and Tunisia. I was the first Argentine president to visit Israel and the first Latin American president to visit the Tunisian Republic.

The visit was made in that context and in accordance with our declared desire to make it. As the son of a first-generation Syrian Arab, I seized the opportunity to make some contribution to the peace process in the Middle East.

[Khayyat] Can I ask you a frank question? What did Shamir tell you?

[Menem] He told me that he agreed to seach for peace in the Middle East but was not prepared to abide by the UN resolutions, and in a message he sent me he said that he always left the door open to the possibility of peace.

A negotiator usually always begins to negotiate from a position of strength in order to be able to make certain concessions and retreat from that position during the negotiations.

President Herzog was more flexible and opposition leader Shim'on Peres fully accepts the land-for-peace idea.

[Khayyat] Are you optimistic about the peace conference results?

[Menem] Fully optimistic. I am fully optimistic. [passage omitted]

[Khayyat] Was your visit to Israel aimed at serving Argentine interests and satisfying the demands of the Jewish community in Argentina or did you want to strengthen your position as a Middle East mediator?

[Menem] No, no, we must not forget that relations between any two countries are based on some rules, good treatment, and courtesy. President Herzog came here first and he invited me to visit Israel. Out of courtesy and respect (President Menem used the word nobility) I went to Israel in the course of the efforts to enhance relations between Israel and Argentina.

Apart from bilateral relations, I do not conceal the fact that my aim was also to try as soon as possible and as much as possible to build a bridge that would help the Middle East end its continuous state of war in a civilized manner and jointly avoid war and bloodshed.

[Khayyat] I do not hide from you the fact that many Arabs felt betrayed by you when you visited Israel. That means that you mean something to them and that you went too far in the circumstances. What do you say to these people?

[Menem] (Agitated) By the same token, these Arabs should say the same thing about those meeting with the Israelis in Spain now.

It is quite wrong to see the good offices in that light at a time when the Arabs are currently negotiating with Jewish leaders. That is a very serious matter.

(After a pause, he continues, still agitated) If I betrayed those Arabs, why I cannot understand, then some of their leaders are more traitors than I am. Let us be very clear about what those Arabs, whose number, I believe, is very small, think, and not just because this matter concerns me. I wonder: have the Arabs forgotten that had Egypt taken an intransigent attitude toward Israel, would it have been able to regain the Sinai, regardless of all the weapons it has?

Through negotiations they were able to get something they could not get by war. That is what I want the rest of the Arab world to understand.

[Khayyat] It was said that you went to Israel to play a mediating role between Israel and Syria. If that is the case, why did you not go to Damascus?

[Menem] In order to go to Damascus I must first get an official invitation from Syria. I cannot go to a country without an official invitation except as a tourist, and I do not believe that an Argentine president of Syrian origin could go to Syria as a tourist.

[Khayyat] If you received an invitation, would you go and talk about peace?

[Menem] Certainly, I would go immediately to talk about the existing good relations between Syria and Argentina and also to discuss peace.

[Khayyat] Do you believe you have made a contribution that facilitated the holding of the current Madrid conference, even partially?

[Menem] I do not know if I can say that I have done something for the conference. I have always spoken of the need for peace. I talked to the Israelis and the Tunisians about peace. I talked to the Egyptians, to President Mubarak about peace. I appointed my brother as ambassador to Syria in order to strengthen relations with Syria and also for talks with the Syrian leader on that issue.

I believe that I have achieved something. I have spoken with President Bush about peace and perhaps I was close to the issue because President Bush asked me to do that

in order to ease the intensity of the disputes between the United States and Syria and see an improvement of relations between the two countries.

[Khayyat] You have contributed to the improvement of relations between the two countries. Could you be more accurate and give some details?

[Menem] What I have just said. My brother discussed the matter with President al-Asad. President Bush asked me that in Costa Rica. He asked me directly. I believe I made some contribution.

[Khayyat] What about the city of Jerusalem. What impression did you have after visting Israel. Did you arrive at a conviction that the Israelis would back down on that issue?

[Menem] No, I have no impressions to hide. I have said and I repeat that I believe that Jerusalem should be an international city. That is what I have asked of the United Nations and that is what the Vatican has called for. [passage omitted]

[Khayyat] It was claimed that you met with some Palestinian leaders during your visit to Tunisia and that you carried a reply to the opposite side.

[Menem] In Tunisia I only met with state officials: Tunisian President Ben Ali and his government.

[Khayyat] Did he convey to you an answer of some kind from the Palestinians?

[Menem] No.

[Khayyat] How do you assess your Middle East visit. Was it successful or not?

[Menem] Yes, it was successful, in my view, because we consolidated our relations with the countries I visited and because I was able to hold a dialogue on the question of peace. [passage omitted]

[Khayyat] Presently, how are your relations with Kuwait?

[Menem] Excellent at all levels.

[Khayyat] Your visit to Kuwait will consolidate relations between the two countries. Does ...

[Menem] (interrupting) And at the same time we will emphasize that Kuwait can take whatever it needs from Argentina.

[Khayyat] Is that an open invitation?

[Menem] I said so publicly and I informed the Kuwaiti authorities of my position so that they may decide what they deem fit in this connection. [passage omitted]

[Khayyat] The Gulf war and the peace plans adversely affected the sale of arms to the states of the region. How will that affect Argentina?

[Menem] In connection with our arms sales?

[Khayyat] Yes. Argentina sells troop carriers and high technology arms.

[Menem] No, our sales were not affected. We sell arms, in a limited way, to all parts of the world and not just the Gulf region. We have arms sales offices in various areas and we continuously receive offers. Argentina is now gradually turning toward privatization of all arms factories currently run by the state. These will be in the future a part of the private sector. [passage omitted]

Army Chief Announces Senior Officer Assignments

PY0711153491 Buenos Aires LA PRENSA in Spanish 6 Nov 91 p 4

[Text] Division General Martin Antonio Balza, the Army chief of the General Staff, announced the structure of the Army's new chain of command.

Division General Jose Luis Cayetano Torres, Finance Department director, and Division General Hugo Sabino Fernandez, Logistics Department director, are among the Army leaders who have reached mandatory retirement status.

The new appointments announced by the Defense Ministry are as follows:

Division General Horacio Guillermo Canestro as deputy chief of the Armed Forces Joint Staff.

In the Army General Staff, Division General Mario Candido Diaz as Army deputy chief of staff; Brigadier General Raul Julio Gomez Sabaini as Army inspector general; Brigadier General Enrique Benito Laurenti as Army staff director general; Brigadier General Anibal Ulises Laino as Army staff secretary general; Brigadier General Alberto Armando Abramor as Department I (Personnel) chief; Brigadier General Carlos Ricardo Schilling as Department II (Intelligence) chief; Brigadier General Carlos Maria Zabala as Department III (Operations) chief; Brigadier General Edmundo Aldo Bertorello as Department IV (Logistics) chief; Quartermaster General Aldo Mario Abram as Department V (Finance) chief; Brigadier General Hector Lubin Arias as Department VI (Planning) chief; and Brigadier General David Ubaldo Comini as Department VII (Doctrine) chief.

Brigadier General Alberto Jorge Maffey was appointed as Army education and training director general; Brigadier General Enrique Santiago Servatico was appointed as Army Advanced Training Institute director; and Brigadier General David Martin Ruiz Palacios was appointed as director of the Military College of the Nation.

General Maximo Rosendo Groba was appointed as commander of the "Lieutenant General Juan Carlos Sanchez" 2d Army Corps stationed in Rosario; Brigadier

General Carlos Alberto Quevedo was appointed as commander of the "Northern Army" 3rd Army Corps stationed in Cordoba; Brigadier General Jorge Haperin was appointed as commander of the "Lieutenant General Julio Argentino Roca" 5th Army Corps stationed in Bahia Blanca; and Brigadier General Enrique Guido Sztyrle was appointed as deputy commander of the 5th Army Corps.

Further appointments are Colonel Julio Cesar Veronelli as 1st Armored Cavalry Brigade (Tandil) commander; Colonel Jose Carlos Hilgert as 3d Infantry Brigade (Curuzu Cuatia) commander; Brigadier General Artemio Osvaldo Barreiro as 4th Airborne Infantry Brigade (Cordoba) commander; Colonel Rafael Alberto Cazaux as 5th Infantry Brigade (Tucuman) commander; Brigadier General Jorge Eusebio Rearte as 6th Mountain Infantry Brigade (Neuquen) commander; Brigadier General Carlos Alberto Settel as 8th Mountain Infantry Brigade (Mendoza) commander; Colonel Juan Carlos Mugnolo as 9th Infantry Brigade (Comodoro Rivadavia) commander; Colonel Alfredo Pablo Rolando as "Lieutenant General Nicolas Levalle" 10th Mechanized Infantry Brigade (La Plata) commander; Brigadier General Hector Mario Giralda as 11th Mechanized Infantry Brigade (Rio Gallegos) commander; Colonel Carlos Alberto Diaz as 12th Infantry Brigade (Posadas) commander; Colonel Victor Demetrio Peralta as Buenos Aires Garrison commander; Brigadier General Antolin Mosquera as Health Service director; Quartermaster Colonel Nilo Omar Zanor as Army General Accounting director; Quartermaster Colonel Ricardo Ramon Frias as Army Services director; Colonel Manuel Cornejo Torino as Military Industries director general; and Brigadier General Ricardo Rapacioli as president of the Armed Forces Scientific and Technical Research Institute.

Brigadier General Eduardo Ruben Fiorda was named military attache to the United States.

Retirements

In addition to Division Generals Torres and Fernandez, General Carlos Rivas, education and training director; General Diego Soria, 2d Corps commander; General Juan Manuel Giuliano, 3d Infantry Brigade commander; General Luis Alberto Cloux, 12th Brigade commander; and General Juan Carlos Baretto, 2d Armored Cavalry Brigade commander will also reach compulsory retirement status.

Quartermaster General Carlos Bertuzzi, the Army General Accounting director; Quartermaster General Mario Abram, the Army Services director; General Carlos Girardi Cantaluppi, Health Service director; and Judge Advocate General Carlos Horacio Dominguez have also retired.

Promotions

Colonels Julio Cesar Veronelli, Carlos Francisco Vernengo, Rafael Alberto Cazaux, Juan Carlos Mugnolo, Alfredo Rolando, Carlos Diaz, and Jose Carlos Hilgert were proposed for promotion to the rank of brigadier general.

* Economic Reforms Provoke Labor Unrest

* Protest in Buenos Aires

92SM0062A Buenos Aires LA PRENSA in Spanish 16 Oct 91 p 1

[Text] The workers of the Argentine Iron and Steel Joint Association (SOMISA) gathered at the Plaza de Mayo yesterday in the largest union protest since the implementation of the official adjustment plan. They staged the protest to defend their jobs, while the government repeated that the rationalization process in the state steel sector is "irreversible."

The demonstration, in which nearly 8,000 workers participated, culminated in a public rally across from the Casa Rosada. There it was decided to return to San Nicolas "to go into the plant and prevent the shut-down of one of the furnaces" at the mill.

The workers made the decision after the general secretary of the San Nicolas local of the Metalworkers Union (UOM), Naldo Brunelli, met for more than an hour with Interior Minister Jose Luis Manzano without achieving satisfactory results, as we reported elsewhere.

The protest, which did not meet the organizers' expectations, involved numerous participants from the Workers Party, the Social Affirmation Movement (MAS), and the PTS [Workers for Socialism Party], as well as large numbers of bank employees, railway workers, civil servants, metalworkers, retirees, and oil workers.

Shouting, "Menem, traitor!" the protesters marched to the federal capital from San Nicolas, reaching the capital just past noon. By 1700 they arrived at the SOMISA headquarters on Avenida Belgrano and Diagonal Sur. From there they marched to the Plaza de Mayo, carrying signs reading, "Our families are our driving force," "Menem said SOMISA would be the pillar of the productive revolution," "Menem is a metalworker, he has an iron face," and "SOMISA, new extermination camp," among other things. When they got to the Government House, they resumed their hostile chanting at the president and his economy minister, Domingo Cavallo, while most of the demonstrators marched all the way around the building.

Under a persistent drizzle and tight security, the workers waited to hear union leader Naldo Brunelli speak. As we have reported, Brunelli met with Minister Manzano for an hour. The official told the labor leader that the government would not budge on its rationalization plan, so the workers decided to return to San Nicolas. As of press time, more than 40 buses and an equal number of automobiles, led by Mayor Di Rocco, headed for the

SOMISA plant to "prevent the shut-down of one of the furnaces." The plant is being guarded by 226 police officers.

* Unrest in Jujuy

92SM0062B Buenos Aires LA PRENSA in Spanish 14 Oct 91 p 8

[Text] Jujuy—The government's promise to pay the wage differentials it owed provincial civil servants, and the delivery of receipts to some of those workers, appeased protesting government employees in Jujuy. Yesterday many of them abandoned the camps they had set up in downtown plazas.

Similarly, the ten union leaders who had ensconced themselves in the provincial government palace abandoned the building at the request of police. They continued their wage demands out on the sidewalk, however, in front of the provincial executive offices.

After 12 days of demonstrations, marches, burning tires in the streets, setting up roadblocks, and establishing soup kitchens in the plazas, many of the workers struck the camps they had set up last week.

Meanwhile, the members of the so-called Front of State Employee Unions, which encompasses the unions that have been protesting for more than a week, decided to continue their pressure tactics "until the appropriate wage differentials are paid."

Altos Hornos Zapla

The operators of the Altos Hornos Zapla plant, who had peacefully occupied the company's headquarters last Thursday, are still there, protesting the official decision to lay off nearly 500 employees under the rationalization plan put forth by the national government.

In this regard, Deputy Fernando Paz, who represents Jujuy in Congress, called upon the national government to "come to the aid of that province urgently, and to adopt comprehensive decisions to defuse the tense situation, beyond the financial restrictions imposed by the Economy Ministry."

Along these lines, he also demanded that the bidding specifications for the future privatization of the state enterprise "guarantee job security for the personnel at the plant, as was done in the cases of the former National Telecommunications Enterprise (Entel) and Argentine Airlines."

In a communique severely criticizing the privatization of Altos Hornos Zapla, he also chastised the national government because "the clear inefficiency in drafting the specifications and the delay in taking this action have created a climate of chaos and anguish."

* UIA Criticizes Government on Customs, Imports

92SM0065B Buenos Aires CLARIN in Spanish 12 Oct 91 p 17

[Text]

Round Two Between the Administration and the UIA [Argentine Industrial Union]

There were informal contacts yesterday between members of the economic team and business leaders. There were two topics of discussion: the flood of imported goods and irregularities at Customs.

The meetings between advisers of the UIA and Finance Palace officials had one purpose: to prepare for the session that the top echelon of the UIA will hold on Monday with the secretary of industry and commerce, Juan Schiaretti. The secretary has reportedly given assurances that the assistant administrator of Customs will attend the Monday meeting.

At the gathering the management team led by Israel Mahler will reaffirm the charges of corruption against Customs and call for temporary measures to reduce the inflow of merchandise from abroad.

The Finance Palace could give an important signal at the same meeting: in spite of what Minister Domingo Cavallo has said, rules could be announced to regulate the inflow of used clothing from overseas.

The Secretariat of Commerce and Industry is reportedly working on a plan that would erect obstacles to imports of such items. The barriers would involve sanitation and customs and could, in effect, lead to an almost total cut-off in imports of used clothing.

Charges Back and Forth

Officials from the Secretariat of Commerce and Industry and some of Minister Cavallo's confidants reportedly attended the preliminary meetings. One or two businessmen and several UIA advisers were "on the move" yesterday on the union's behalf.

The meeting was going to be held yesterday but was put off until Monday for several reasons: to make sure that almost the entire UIA presidency committee will attend and to gain time so that a series of documents that will substantiate the recent charges against Customs can be drafted.

Administration representatives reportedly complained last night about the harsh accusation of corruption in Customs that Israel Mahler had voiced through CLARIN. The industrialist said that wrongdoing continues at Customs, that it controls absolutely nothing, and that underinvoicing of imports is a regular practice.

The director of Customs, Admiral Juan Carlos Martinez, retired, responded to the charges yesterday, also through CLARIN, indicating in an interview that as far as foreign trade was concerned Mahler "cannot tell up from down"

and that if he knows who is doing the underinvoicing, he should appear in court and file charges.

During the unofficial contacts last night the UIA's "operators" confirmed to the administration that they would substantiate Mahler's charges on Monday. "You know perfectly well, as we do, that what Mahler said reflects only one-tenth of what is really going on in Customs," the UIA men remarked in their offices.

They also asserted that "if the administration insists, the UIA will file charges in court." The impression is that for the time being they would rather take a less disruptive approach and keep the dialogue going.

The Return of Easy Money

In the judgment of businessmen, the lack of control at Customs is worsening the problem of imports, which are hitting $750 to $800 million a month. This is double what they were just a few months ago and is approaching the levels reached during the era of "easy money" under former Minister Jose Alfredo Martinez de Hoz.

Even if the issue has not been brought up, a major concern underlies the industrialists' warnings: the 10,000-austral exchange rate for the dollar. Businessmen feel that this rate makes them uncompetitive in many overseas markets and, at the same time, leaves our doors wide open to items manufactured in more technologically advanced countries.

The issue was presumably touched on at last night's informal discussions, especially because the businessmen contend that the decline in electricity costs promised by the administration has not come about and much less have payroll taxes fallen.

Another item that will no doubt be on the agenda the day after tomorrow is the cost of electric power. The undersecretary of industry, Luis Obeid, will soon begin a swing through the interior to look into this issue with the people in charge of the industrial sector in the provinces.

* Social Impact of Economic Program Viewed

92SM0066A Buenos Aires SOMOS in Spanish
7 Oct 91 pp 48-50

[Report by Tristan Rodriguez Loredo]

[Text] By July of this year, 78,000 government jobs had been eliminated with a stroke of the pen, most of them through the voluntary retirement system. By next December, a total of 94,000 workers will have been laid off, 131,000 by May 1992. What is remarkable about this huge displacement of people is that so far, the problems brought about by the uncertainty regarding the ultimate fate of the Argentine Iron and Steel Joint Association (Somisa) and Hipasam [Patagonian Iron Mining Incorporated] have not occurred in this case.

The reason can be found in the method selected, among other things. Most of the workers have taken advantage of voluntary retirement, which dismantles the well-oiled union machinery. The members of the National Civil Service Personnel Union (UPCN) were the first victims of this system in 1987 when they failed miserably in their attempt to thwart the first wave of government lay-offs. Today they are regarded as "Menemists," and they have explicitly supported the process of rationalizing the public administration.

The first shock waves came with the spring. The people at Economy have decided to deal first with the restructuring of the establishments [planteles] (the bitter pill for the unions), and right afterwards proceed to changing the management hierarchy. For the majority, this will entail significant salary increases and even pay scales similar to those paid by the private sector for those selected in open competition. Sources at Finance did not rule out the possibility that behind this confrontation is a struggle for control over the more wide-ranging reform program that the government has undertaken to revamp the entire state. So far this control has been shared by the Secretariat of Public Administration (Gustavo Beliz) and the Undersecretariat of Technical Coordination (Ernesto Domenicone).

And Now for Manufacturing

The areas that are beyond these jurisdictions are precisely the ones that will experience the most conflict. For example, there is defense. The former Undersecretariat of Production for Defense has changed hands four times now, and each time the stated reason has been the same: accelerating the reform. But this reform is just beginning to happen. In addition to the restructuring of the armed forces, of its civilian personnel (11,000 have already left), and of the decentralized entities, the artillery is aimed at an elusive target: the military enterprises.

Led by Somisa (which had as many as 13,500 employees) and the Military Manufacturing group, overemployment is a common feature of all of them. Their inability to show flexibility in adapting to technological or management changes, plus the intrigue aimed at obstructing a rationalization program that was announced as early as 1984, mean that the cut will be even more drastic. The problems of the San Nicolas steel plant and of the Hipasam mining complex (Sierra Grande, Rio Negro) did not just crop up yesterday; they have been around for many years (some contend they are congenital), but they were covered up by government subsidies. Now, whether or not they will be allowed to continue operating depends exclusively on their ability to adapt their operations to the standards of the market. And that means a much smaller payroll.

Former Undersecretary of Defense Planning Diego Estevez states categorically that Economy was partly to blame for the explosion of the Hipasam conflict. "We were receiving assistance from the World Bank and a bridge loan from Economy. As is usually the case, the latter loan was not extended until the conflict had

already reached the stage of Plaza de Mayo demonstrations. And these problems must be managed locally." Estevez, who closely followed the Bolivian rationalization process (there, after the period of hyperinflation, ¼ of state employees went over to the private sector), is not surprised at the uproar. "When a process of economic stabilization is consolidated," he explains, "the public tends to satisfy pent-up demand, including wage demands. Moreover, the public sector began expelling people as of the final quarter of 1990, and the reactivation began in May. The timing is off."

Zero-Sum Game

That appears to be the heart of the matter. As long as people have real chances of getting another job, they will not resist change the way people do if their job is their only means of survival. According to FIEL [Latin American Economic Research Foundation], labor demand grew substantially after March of this year, but hiring did not keep pace (throughout the country the unemployment rate was 6.9 percent, compared to 8.6 percent during the period of hyperinflation). The answer lies in the fact that when production increases, employers would rather give their employees more overtime than hire new people. The reason, in principle, is that new employees require training, but there are also potential costs in lay-offs if the cycle should reverse. There is a simple explanation for the matter: People are waiting for the imminent passage of the employment law, which will alleviate this problem. This is a bit difficult to digest for most deputies of the ruling party who have labor roots; they call the law "suspicious." Other Peronists feel that a number of "conquests" achieved during the years of party orthodoxy are now being undone.

Touching the Extremes

Daniel Funes de Rioja, adviser to the Argentine Industrial Union, strongly criticizes what he considers to be the absence of an employment policy. "What is being discussed," he argues, "is whether there should be unemployment coverage or benefits, rather than debating job 83 retraining programs such as those that exist in Great Britain." His position is based on uncertainty that the private sector will be able to absorb employees rapidly, since "now that there is a demand for skilled labor there is no supply."

Labor leader Hector Recalde, associated with the General Confederation of Labor (CGT), criticizes the situation from another standpoint. "There is very superficial mention of safety nets, but there are holes in these nets," he emphasizes, "through which people will fall after being expelled from the productive system. In the serious capitalist countries," he adds, "first there is investment in the incorporation of technology, and then comes the reconversion. Here we begin by stripping away protections in order to bring down labor costs."

No one is in doubt of the need for the adjustment. Nor does anyone doubt that a social cost will have to be paid. It seems increasingly clear that the size of this cost will depend on how thoroughly and skillfully the adjustment is carried out.

[Box, p 50]

The City of Fury

San Nicolas: The 40,000 inhabitants depend on the 9,000 jobs at Somisa, which once numbered as many as 13,500 and now are in danger of being reduced to 5,000. The viability of this firm's privatization is thus at stake. In a neighborhood of 1,000 residents, 60 requested permission to set up kiosks.

Rio Grande: There is a threat that the industries of Tierra del Fuego (electronics, textiles) will shut down. The exodus has already begun: The latest census shows 39,000 inhabitants, 9,000 less than five years ago. Without clear decisions on the status of the island, a paradise for promotion.

Sierra Grande: This is a city of 12,500 residents who earn their living in the iron mines and the pelletization plant. A total of 1,290 employees work there. A billion dollars has been invested in a complex that never produced at more than ⅓ capacity. It owes $350 million to the Treasury and loses $40 million a year. If it does not improve, it will close.

Palpala: Altos Hornos Zapla employs 3,000 workers (the population of the city is 20,000) and has accounted for as much as 10 percent of the GDP in Jujuy. Options: close the plant, which is virtually shut down, or privatize it belatedly, with massive lay-offs.

Rio Turbio: Located 250 km from Rio Gallegos on the Chilean border, it is the site of the Government Coal Deposits (YCF) coal mines. It is home to 14,000 residents who depend on the survival of the YCF, which is a black hole for the Economy Ministry.

* Downsizing of Public Companies Detailed

91SM0065A Buenos Aires CLARIN in Spanish 17 Oct 91 p 9

[Text] Since the start of the Menem administration state-run companies (not including civil service) have seen their payrolls cut by 13.4 percent, as 31,693 persons have departed, leaving a total of 202,125.

The largest group left between 30 September 1990 and 31 August 1991 (11 months), 14.3 percent, easily surpassing the 6.9 percent who departed between 30 September 1989 and 30 September 1990.

According to figures from the General Trusteeship of Public Enterprises (SIGEP), the "Fuels" sector cut its staff by 15.4 percent, with YPF [Government Oil Deposits] far out in front at 19.9 percent, well ahead of YCF [Government Coal Deposits] at 12.1 percent. The cuts in State Gas were minimal as 0.2 percent opted to

leave; in fact, during the first year of the current administration its payroll grew by 3.2 percent.

Contracts Confirmed

The numbers in this case are based on the contract confirmations of a couple of years ago, although it remains to be seen whether costs at the enterprise are cut permanently. Such cuts are indissolubly linked to the process of privatization, which is scheduled to begin shortly once the regulatory framework has been defined.

The remaining employees will ultimately wind up in either totally private firms or ones holding leases from the government. The question mark is how many of the current 200,000 will be retained in the new organizations.

The sector "Transportation and Communication" posted a 15.8 percent drop last year, led by the General Administration of Ports (AGP) at 23.1 percent, followed by Railways at 16.5 percent, with Argentine Shipping Lines (ELMA) far behind at 5.5 percent.

Energy is another sector that has some more cutting to do. During the last period surveyed by SIGEP, Greater Buenos Aires Electrical Services (SEGBA) let 8.1 percent of its personnel go, compared to 7 ½ percent in the North Patagonia Hydroelectric Company (Hidronor) and 2.5 percent in AyEE [Water and Electric Power].

Also among the main state-run enterprises, all of which are being privatized or leased out, are the National Enterprise for Mail and Telegraph and National Sanitary Works (OSN), which cut their payrolls by 14.5 and 15.3 percent respectively.

Changes in Employment Levels at Public Enterprises

Sector	30 September 1989 (a)	30 September 1990 (b)	31August 1991 (c)	Change b/a (percent)	Change c/a (percent)
Overall	235,718	219,503	202,125	-6.9	-14.3
I. Fuels and Energy	86,036	85,925	75,998	-0.1	-11.7
1. Fuels	50,619	50,679	42,834	0.3	-15.4
YPF	37,1398	37,288	29,734	0.4	-19.9
State Gas	10,192	10,522	10,209	3.2	-0.2
YCF	3,288	2,959	2,891	-10.0	-12.1
2. Energy	35,417	35,156	33,164	-0.7	-6.4
SEGBA	22,765	21,988	20,914	-3.4	-8.1
AyEE	10,947	11,477	10,672	4.8	-2.5
Hidronor	1,705	1,691	1,578	-0.8	-7.4
II. Transportation and Communication	140,268	125,184	118,150	-10.8	-15.8
1. Transportation	102,499	91,379	85,843	-10.8	-16.2
Argentine Railways	94,155	83,622	78,615	-11.2	-16.5
ELMA	4,604	4,566	4,352	-0.8	-5.5
AGP	3,740	3,191	2,876	-14.7	-23.1
2. Communications (Encotel)	37,769	33,805	32,307	-10.5	-14.5
III. Industry and Services (OSN)	9,414	8,394	7,977	-10.8	-15.3

Source: SIGEP

*Handling of Judicial Branch Conflict Criticized

92SM0063A Buenos Aires LA PRENSA in Spanish 13 Oct 91 p 7

[Report by Sergio Crivelli]

[Text] The 8 September elections demonstrated that society pays attention only to the broad strokes of government action, or more precisely, to the brush strokes. Its only concern is the success of a policy—any policy, really—able to ward off the specter of hyperinflation.

And the government acts accordingly. That was true of its conflict with the Supreme Court, which was resolved in a way that caused damage to the institution and displayed a political clumsiness that harkened back to the Menem administration's darkest moments.

First of all, because it was the Menemists who prompted Congress to sanction the judicial autarchy; secondly, because it was the Supreme Court—the majority of whose justices have been Menem followers since the controversial expansion of the court—that ordered the pay raise that sparked the conflict; and thirdly, because

with a majority in both houses of the legislative branch, the executive branch was able to issue a decree annulling part of a law on the grounds of urgency.

In this regard, in its Wednesday editorial this newspaper declared that invoking the principle of necessity and urgency is "absolutely inadmissible when, as now, the National Congress is in an extended regular session. Therefore, the normal procedures should never have been sidestepped to do what should be done only by law; otherwise, the rule of law is placed in such jeopardy that no further comment is warranted."

Beyond the institutional turmoil, this accumulation of nonsense has an obvious cause: the bitter struggle among various sectors of the government itself for control of the judiciary. And this struggle worsened when Leon Arslanian became minister of justice.

A succinct history of what has happened should include some fundamental facts: a) When Arslanian took office he learned that "anybody"—Rodolfo Barra, Mariano Cavagna Martinez, Carlos Corach—could "operate" politically in the judicial branch, thanks to the lax attitude Cesar Arias had taken toward such matters; b) those who ran the government were particularly hard on individuals who did not consent to do what the government wanted, applying the so-called "big stick policy"; c) it was then that the first clashes took place with the unruly prosecutors whom the executive branch officials wanted to eliminate, beginning with Moreno Ocampo; d) it was also around that time that Arslanian publicly declared that Judge Maria Servini de Cubria, who got along so well with Barra, Arias, and Corach and was at such loggerheads with the prosecutors, would do well to go home; e) in response, Barra and Cavagna Martinez tried to get the court to go along with them in opposing the minister, and discovered their political isolation; and f) dozens of judges and prosecutors, in an unprecedented move, came out in support of Arslanian.

The story does not end there. Since the judges' unhappiness with the court was in large measure due to financial matters, the Menemist players on the court proposed a pay raise that would complicate life for Domingo Cavallo, for two purposes: to unite all of his colleagues behind this decision, and to place Arslanian in a difficult position. But the minister received the backing of nearly the entire cabinet and of Carlos Menem himself. Another round for Leon Arslanian.

What About the "Celestes"?

Among the minister's major political backers is the president's brother, Eduardo Menem. There is some distance, on the other hand, between him and Jose Luis Manzano and Eduardo Bauza, who are the patrons of Undersecretary Carlos Corach. Reliable sources say that during the struggle revolving around Servini de Cubria, Corach was opposed to Arslanian.

How can these contradictions be explained? In principle, according to those who are apprised of the latest movements at the palace, the reason is that the so-called "celestes" group no longer exists as originally constituted. Manzano and Bauza have grown apart in their thinking from Eduardo Menem and his friends such as Arslanian and former Minister Jose Roberto Dromi, who could return to the cabinet soon. That former official has not forgotten that it was Bauza and Manzano who precipitated his resignation when, by throwing their archenemy Raul Granillo Ocampo out of the cabinet, they set off the Enrom scandal that culminated in Dromi's defenestration.

In short, a good part of the clash between the executive branch and the court, which just about sparked a power struggle between the branches of government, can be traced to the political infighting provoked by the officials of the Casa Rosada and allied entities.

The Servini Case

Another institutional disaster that can be blamed on executive branch officials and linked to the internecine struggles of the courts came about last Wednesday, when the Peronist members of the Chamber of Deputies' Political Trial Committee, with the help of a Democratic Center Union (UCEDE) man and another from the Neuquen Popular Movement, decided to close the investigation of Judge Maria Servini de Cubria and throw away the key. Judge Servini de Cubria has been accused of conniving with the defense attorneys of the former officials facing charges in the "Yomagate" case. The decision not to allow the presentation of evidence in the investigation establishes a negative precedent. In the Servini case (with several prosecution cases under way, this is quasi-conclusive evidence against her), opponents maintain that the malfeasance was already proven. Consequently, they allege, the impunity of judges has been confirmed, since from now on they can only be removed from the bench if they are caught red-handed.

The Peronists, on the other hand, explained in detail that the decision not to try the judge (made by the president himself) is "political." To justify their decision, they drew a comparison with the Radicals' actions in the case of Judge Belluscio.

The excuse is pretty flimsy. First of all, in the Belluscio case, evidence was taken and no one proved malfeasance. It should be noted that at that time the executive branch was pressuring him to resign because it wanted its own majority on the Supreme Court. Later on it expanded the number of justices on the court to achieve that purpose.

In the second place, a prior incident that was repudiated by the Peronists at the time can never be cited by a Peronist government in the present as a precedent justifying similar conduct.

And finally, the decision not to investigate the judge gives rise to suspicions of extortion. Radical legislators

recalled that the judge's son announced that she wanted to be questioned by the Chamber of Deputies and that the press would then learn of some "very important" matters.

Almost at the same time, two key witnesses in the "Yomagate" case (Menem's secretaries, Miguel Vico, and Ramon Hernandez) were suddenly promoted to the position of cabinet secretary [secretario de estado], which meant that they did not have to testify personally before the Political Trial Committee, but could do so through letters rogatory. In short, these amount to the latest irregularities in a process overshadowed by countless doubts, a process that flagrantly contradicted official statements that "no stone would be left unturned."

* Catamarca Interventor on Saadi Administration

92SM0063B Buenos Aires LA PRENSA 11 Oct 91 p 3

[Text] Catamarca (Telam)—Thanks to the measures adopted by federal intervention officials in the province's educational sphere, it was possible to make improvements in the school infrastructure, restore school cafeterias, and gradually eliminate ranch schools. This statement was made by Interventor Luis Prol, who also asserted that "(Ramon) Saadi's administration was bad for the people."

Discussing education, the interventor reported that seven new educational facilities were built, and another 24 are being remodeled and repaired. "This will mean that we have fulfilled the objectives of the federal intervention, having eliminated 31 ranch schools."

Along the same lines, he remarked that "Saadi's administration was bad for the people, because it punished the most helpless sectors. Now, to make up for that, federal intervention officials, making proper use of those funds, have brought about that recovery in a short period of time."

The school infrastructure was improved, stated Prol at a press conference, "by devoting national funds to the planned objectives." He went on to say, "This did not happen in previous years," when those funds were diverted to other purposes. Justice authorities are now looking into these matters. The result was "disastrous consequences in the underprivileged and needy sectors, those whom that very government claimed to represent," he emphasized.

The plan to eliminate the ranch schools calls for an investment of 3.6 billion australes, and will be carried out through agreements with municipal jurisdictions throughout the province. During this initial phase, 1.1 billion australes has been disbursed, with a total of four outlays planned.

Participation

The interventor in charge of the Justicialist Party (PJ) in Catamarca, Alberto Conca, who took possession of the party's local headquarters yesterday, stated that "in addition to the misunderstandings and the previous party leadership's fierce opposition to federal intervention, many factors went into the decision to intervene in the district, including the fact that not all sectors of the party were allowed to participate."

Conca, who began a round of talks with all sectors of the PJ, met with businessman Francisco Sotomayor, "an independent who has really made a great impression on me; I think he fits the description of what we call a Menemist," he said.

Sources close to the interventor indicated that Sotomayor has one of the best chances to become head of the Front of Hope in the 1 December elections, along with the former national deputy of the Justicialist Party, Dermidio Herrera, and the leader of the Catamarcan Unity Party, Pedro Casas.

He repeated that the PJ "is open to everyone," and asked for "the cooperation of all Peronists in helping me achieve this objective." He announced that today at 1700 he will go to the party headquarters to take over the PJ assets and documents.

"State Terrorism"

Cordoba Attorney Jorge Berardo, a specialist in human rights, filed a complaint with the Public Prosecutor's Office so that alleged acts of "state terrorism" committed during the administration of Ramon Saadi can be investigated.

The complaint was announced yesterday in the print media of this capital. In the announcement, the attorney points out that during the marches of silence (aimed at solving the murder of Maria Soledad Morales), participants were filmed for provincial television (Channel 6) in what "resembled police records."

The lawyer pointed out that "it can be seen that the news footage contains nonjournalistic material, because the cameramen took individual shots of the participants in the marches of silence, using zoom lenses to obtain close-ups. Some of these close-ups had been shot against plain backgrounds and freeze-framed so that they could be clearly identified by the Saadist authorities."

Questioning

Attorney Lila Safe, who is helping the Morales family in the investigation of Maria Soledad's death, indicated that former Governor Saadi "could not have moved out of the jurisdiction of the province" without asking permission from the judges who are hearing the case.

The attorney questioned Saadi's reported trip to Europe, and she denied reports that she had met with Minister of Government Rodolfo Vacchiano yesterday. She did admit, however, that she had talked to the undersecretary in charge of this area, Jorge Torressi.

March of Silence

Displaying the slogan, "Young People Demand Explanations," the 54th march of silence was held in the downtown streets of this capital. As on previous occasions, demonstrators demanded a prompt solution of the murder of Maria Soledad.

Bolivia

Former General Reveals Alleged DEA 'Abuses'

PY0611212691 La Paz PRESENCIA in Spanish 30 Oct 91 p 7

[Text] Retired General Elias Gutierrez, former commander of the Special Antinarcotics Force (FELCN), admitted yesterday that U.S. Drug Enforcement Agency (DEA) agents committed abuses during the "Safe Shelter" operation conducted on 28 June.

During an audience at the military court that is hearing the case involving Navy Lieutenant Carlos Revollo, Gutierrez said that "it is true that he (Revollo) was drunk; had his hands tied; and was left in a vulnerable position," thus alluding to the DEA agents' behavior during the so-called Operation Safe Shelter.

Gutierrez said that after these incidents, investigations were conducted by FELCN, which submitted a report to the Interior Ministry for its evaluation.

Interior Ministry officials said that after the aforementioned operation, the DEA agents reportedly will provide just advisory and intelligence assistance to the antidrug struggle.

After the action in Santa Ana, Revollo also said that DEA agents mistreated him, and that U.S. Ambassador Robert Gelbard himself charged him with being involved with drug trafficking and having tried to "alert drug traffickers on many occasions" on the antidrug forces' activities.

Gutierrez and the agents who watched over and arrested Revollo on 29 October appeared before the military court to be questioned on the incidents.

Revollo, who was the former commander of the Bolivian Navy unit headquartered in Santa Ana del Yacuma, is charged with drug trafficking; dereliction of duties; giving false evidence; and terrorism. He rejected these charges, adding that what people said against him in the wake of Operation Safe Shelter, was a "fantasy."

Planning Minister Evaluates World Bank Meeting

PY0711204691 La Paz Television Boliviana Network in Spanish 0200 GMT 7 Nov 91

[Text] The commission that met with the Paris consultative group to explain the government's financial requirements for different programs was able to achieve an unprecedented success by obtaining approximately $800 million.

The World Bank consultative group promised to provide Bolivia with financial aid totaling $800 million during 1992. Planning Minister Samuel Doria Medina, who headed the delegation, reported in a Paris news conference that the financial aid includes a low-interest, long-range loan and donations. Doria said that the aid is more than the amount needed next year for the implementation of the social development plan. He said the plan's overall cost is estimated at $1.953 billion. He said the main contributions come from the United States, Japan, Spain, and Germany.

Both Doria and Joshiake Abe, World Bank regional director for Latin America and the Caribbean, who headed the meeting of the consultative group that concluded on 6 November, said the talks were quite satisfactory. Abe said that Bolivia, which is at the top in economic reforms in Latin America, obtained important achievements in the last 12 months and can start a new development stage. In the last 12 months, Bolivia was able to maintain macroeconomic stability; reduce the fiscal deficit to 2.6 percent of the gross domestic product [GDP] in 1991 in contrast to 5 percent in 1989; control inflation at 15 percent; and reduce interest rates. The progress made in the government structural reform program; alternative crops to replace coca; protection of the environment; and public administrative reform were also emphasized.

Doria also said that after a 4 percent GDP growth was obtained—which is the highest in 14 years—Bolivia was able to get the support of the multilateral organizations and participant countries to carry out the social development program. This program covers four areas: basic health; primary education; water supply; and modernization of the state. Doria recognized the sacrifices made by the Bolivian people for the economic reorganization of the country, which will be the basis to take the poor out of poverty through growth.

Regarding alternative crops, Doria said that in two years coca production was reduced by 25 percent and that if this rate is maintained, a 50 percent reduction may be reached by August 1993. He said that out of the 60,000 hectares of coca existing two years ago, only 9,000 hectares were planted for the traditional use of coca. He added that 13,000 hectares of coca were replaced; therefore Doria believes that Bolivia is the country that has made the greatest contribution to solving the drug-trafficking problem.

Doria hopes that the important U.S. support for the alternative crops program will be strengthened by other countries.

First 10 Months Yield 12.57 Inflation Rate

PY0611210091 La Paz EL DIARIO in Spanish 2 Nov 91 p 9

[Text] The National Statistics Institute (INE) reported that the inflation rate, which measures consumer price index (CPI) variations, reached 12.57 percent during the first 10 months of the year.

INE reported that in October the CPI grew by 0.97 percent compared with the previous month and that this index stands within the target set by the government, which is to keep inflation below 15 percent in 1991.

Inflation is defined as the percentage variation of the CPI over a certain period compared with a similar previous period. The incidence is the percentage weight of each item (or group of items) in the general inflation rate.

In this regard, the incidence per item for the October inflation rate was: food, 0.78; housing, 0.06; clothing, 0.06; others, 0.07 percent, all of which amounts to 0.97 percent compared with the previous month.

The three articles that registered the highest incidence are: meat with bones (0.63 percent); meat without bones (0.22 percent); carrots (0.16 percent). Negative incidence was registered by lettuce (-0.28 percent); black potatoes (0.15 percent); and fresh beans (0.14 percent). [percentages as published]

The INE reported that so far this year, prices of the following items registered the largest increase: food (1.51 percent); clothing (0.53 percent); others (0.40 percent); housing (0.31 percent).

The CPI is an indicator that reflects the variation of average prices for a set of family basket items. The CPI basket includes 161 items that are classified into four groups: food, housing, clothing, and others.

Government To Observe Repentance Decree

PY0611192091 La Paz EL DIARIO in Spanish 29 Oct 91 p P5

[Text] In order to secure the voluntary surrender of other alleged drug traffickers, the under secretary of social defense reiterated that the government will observe the law and will not extradite people who avail themselves of the so-called "Repentance" decree.

The under secretary made this clarification because of the government's concern that despite the announcements made one month ago—that other big shots would avail themselves of the terms of the decree—no traffickers have surrendered after the United States mentioned its "reserved right" to request the extradition of people who are being prosecuted on drug-trafficking charges.

In this regard, Under Secretary of Social Defense Gonzalo Torrico said that all the decree's terms will be fully complied with because failure to fulfill a promise would produce a very negative situation.

Torrico said that there is still time for other traffickers to avail themselves of the "Repentance" decree because the 120-day term that was set by the law has not yet expired.

He added: "We are optimistic because we expect that other people will surrender and will avail themselves of the decree. Yet what we should reiterate is that the sovereign decision of the Patriotic Accord Government will be respected."

He explained that the decree clearly explains that all those who voluntarily surrender will not be extradited, and that this term will be respected because it is a commitment that was assumed by the government and it will be complied with.

He concluded by saying: "We would like our fulfillment of this commitment to make people have confidence in us."

Spain Loans $13.5 Million for Telecommunications

PY0711233691 La Paz PRESENCIA in Spanish 17 Oct 91 p 6

[Summary] The Spanish Government authorized the reimbursement of $13.5 million for the National Telecommunications Enterprise. The loan will be used to expand the telecommunications system in 160 towns of Beni, Chuquisaca, Pando, Potosi, and Santa Cruz Departments. The loan is part of the $100 million loan granted to Bolivia in 1990.

Brazil

Government Not To Implement Economic Shocks

PY0711234491 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 7 Nov 91

[Text] The government is not going to prepare an economic shock nor is it going to fully index the economy, said Economy Minister Marcilio Marques Moreira in Rio de Janeiro.

He also stated that on 8 November the government will send a bill to Congress that calls for a reduction of the fiscal burden, thus the cost of money for loans will be reduced.

[Begin reporter Neomar de Oliveira recording] This was the main message outlined today in Rio de Janeiro by the economy minister to the main businessmen and presidents of the country's several industrial federations.

In a meeting on the premises of the Rio de Janeiro National Industrial Confederation, Marques categorically denied the possible full indexation of the economy because he understands that indexation is directly linked to an increase in inflation.

Once again the government denied that there will be any type of freeze, shocks, or that there will be any type of commandeering contingency plans.

Marques guaranteed the businessmen that the government will maintain a consistent and coherent economic policy with the final objective of reforming and modernizing the economy within a context of stability that will lead to a high and sustained growth rate that will not be short-lived.

From Rio de Janeiro, Neomar de Oliveira. [end recording]

Basic Food Prices Surpass 30 Percent Increase

PY0711211491 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 7 Nov 91

[Summary] Research by the DIEESE [Interunion Department of Statistics and Socioeconomic Studies] shows that the increase in the price of basic foodstuffs in most of the Brazilian capitals surpassed 30 percent in October. The highest increase, 39.69 percent, was registered in Vitoria, Espirito Santo State; and the lowest, 23.08 percent, in Recife, Pernambuco State.

Civil Construction Workers Laid Off in Manaus

PY0711165491 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Oct 91 Section 3 p 5

[Summary] Mauricio Rayol, president of the Manaus Civil Construction Industries, reported that about 14,000 civil construction workers out of a force of 27,000 workers in Manaus were laid off in the last eight months because of a lack of investments in civil construction.

Chile

Rojas on Defense Budget; Meets British Envoy

PY0811111091 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 7 Nov 91

[Text] Defense Minister Patricio Rojas expressed his satisfaction over the approval of the Armed Forces budget by a congressional committee.

[Begin recording] [Rojas] About 99.5 percent of this large budget was approved without significant questioning by any political sector. This is a very important signal of the maturity and the responsibility of the political class in face of military expenses which, according to some sectors whose approach I think is wrong, represents innefficient use of national resources. Such criticism is not justified given the explanation and the approval of the congressional committee.

[Unidentified reporter] Does the statement by the wife of the Army commander somehow affect the relations between the government and the Army?

[Rojas] I do not think there is any connection. Her only concern is that she is president of the Mothers Center organization because she is the wife of the Army commander. [end recording]

Before speaking with the media, Rojas met with British Foreign Under Secretary John Cowe who was recently installed in his post and is visiting Chile to learn our situation and that of other Latin American countries.

When asked about the death of British journalist Jonathan Moyle, who was murdered last year in the Carrera Hotel, Cowe said that his government is very concerned about the case. He declined to make any comments because the case is in the hands of Chilean justice.

Pinochet Comments on Budget

PY0811113291 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 7 Nov 91

[Text] Army Commander General Augusto Pinochet said that he never expressed his opinion on the budget assigned to his force. He expressed satisfaction at the legislative procedure of the Army budget, which includes resources for the DINE [Army Intelligence Directorate], where some former agents of the dissolved CNI [National Intelligence Center] are working.

[Begin recording] [Unidentified reporter] Are you pleased with the resources allotted to the Army?

[Pinochet] One can never be satisfied with resources allotted because there are always more needs than resources. Like in your house, you may want many things but you lack resources.

[Reporter] Mrs. Lucia [Pinochet's wife] said the other day that there is a moral crisis in Chile. What do you think about Bishop Oviedo's assertion that there is a moral crisis in the country?

[Pinochet] Look, I think that the bishop, as a bishop, must say these things. I keep my opinion to myself because I am a believer. [end recording]

The Army commander said this following a ceremony during which some brigadiers were promoted to the rank of brigadier general at the Lo Curro Military Club. The ceremony was attended by the Army commanders and their wives. The new brigadier generals are Osvaldo Acevedo; Aurelio Palominos; Arturo Silva; Sergio Moreno; Eugenio Covarubias; and Juan Estubel.

Cuba Refuses Swiss Court Order To Return Money

PY0711144691 Santiago Radio Chilena Network in Spanish 1600 GMT 6 Nov 91

[Text] Cuba refused to comply with a court order to return approximately $20 million to the Chilean Central Bank.

During President Salvador Allende's government, the Chilean Central Bank deposited this money in a branch of the Cuban National Bank. Apparently, this money was a type of loan granted by the Chilean Central Bank to Cuba. Later, Fidel Castro's government confiscated the $20 million and deposited it in Swiss banks, where it currently remains.

After Chile's democratic government was sworn in, the Zurich Commerce Court ordered Cuba, better said, Bancuba to return the money. It refuses to do so, however, invoking a decree in which the Cuban Government froze all Chilean assets in September 1979. The decree also ordered the blockage of Chilean public or semi-public enterprises in Cuban territory, or could be recovered from Cuba. [sentence as heard]

The Swiss court sought a rapprochement between the two parties through legal proceedings. The proposal was accepted by Chile, but not by Cuba.

Soviet Union To Close Antarctic Bases in 1992

PY0711202691 Madrid EFE in Spanish 1534 GMT 7 Nov 91

[Text] Santiago, 7 Nov (EFE)—A Santiago morning newspaper published today a report reading that the USSR decided to dismantle its Antarctic program; cancel its scientific tasks; and close down 10 bases on the white continent.

The decision was adopted due to the economic problems being experienced by the Soviet Union, according to the information published by LA EPOCA, which cites "well-informed sources."

According to the newspaper, the evacuation of personnel from the bases, which are administered by the Soviet Government, will begin in January 1992 and only a minimum number of people will remain in the Antarctic to maintain the bases.

Together with the United States, the Soviet Union is the country that has carried out the greatest volume of scientific research on the Antarctic continent, including the identification of endemic species such as the Wedell and the elephant seals.

The Soviets also carried out important meteorological tasks on that continent, the only uncontaminated continent in the world. Antarctica also has large oil and coal reserves and 70 percent of the planet's fresh water.

The Soviet Union is one of the 12 founders of the Antarctic Treaty signed in 1959 in Washington, D.C., which establishes the peaceful use of the continent and the proscription of weapons.

The economic crisis affecting the roots of the Soviet regime is the basis of the decision to withdraw from the Antarctic, LA EPOCA reports.

Party Condemns Serbian Communists' Actions

PY0811020091 Santiago EL MERCURIO in Spanish 5 Nov 91 p C3

[Text] In the face of recent events in Yugoslavia, the Christian Democratic Party [PDC] issued on 4 November a declaration condemning the Communist Party of Serbia's attempt to impose a military solution in the Yugoslav conflict. It also expresses its solidarity with Chileans of Croat descent.

The declaration was signed by PDC President Senator Andres Zaldivar and PDC International Commission Chairman Deputy Sergio Pizarro.

The declaration reads that the PDC "categorically rejects the Communist Party of Serbia's attempt to impose a solution to the Yugoslav problem, considering that this solution is seriously violating human rights, especially the right to life of people and the nations' self-determination."

It also conveys "its solidarity with Chileans of Croat descent over the suffering of their fellow countrymen, because we understand the anguish that affects many Chileans in this difficult moment for the nation of their ancestors and many of their relatives."

The PDC "urges all Yugoslav peoples to try to peacefully solve their problems within the framework of respect for the democratic rights for selfdetermination of the peoples and respect for ethnic minorities."

The declaration reads that the PDC "advocates a UN Security Council resolution on the arms embargo imposed on Yugoslavia, and the great efforts being made by the EC to reach peace and a political solution to the serious problems affecting that country."

Nationwide Unemployment Remains at 7.5 Percent

PY0611231891 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 6 Nov 91

[Text] Nationwide unemployment during the July-September period remained at 7.5 percent, while the metropolitan region experienced a slight drop from 8.4 to 8.3 percent. The National Statistics Institute [INE] disclosed this information.

The work force throughout the country during the same period amounted to 4.749 million people, an increase of 2.5 percent compared to the same period last year.

Comparing the last two quarters, unemployment increased in five regions; dropped in seven; and remained the same in the 10th Region, that is, 3.9 percent. The lowest unemployment rate is registered in this region.

Moreover, the INE disclosed that workers' salaries in September experienced a real increase of 1.8 percent, while during the December 1990-September 1991 period they experienced a real drop of 0.4 percent.

Salaries experienced an accumulated real increase of 6.7 percent during the last 12 months.

The largest increase was registered in the industrial sector with 10.3 percent; transportation and communications, 8.9 percent; followed by the commercial, financial, electricity, gas, water, and mining sectors.

* INE Releases Inflation Figures, Trends

92SM0052B Santiago LA NACION in Spanish 3 Oct 91 p 16

[Article by Claudia Saavedra]

[Text] Santiago—Tomatoes, potatoes, apples, Italian squash, pork, and lamb help explain the inflation rate of 1.3 percent for the month of September.

This information comes from the assistant technical director of the National Institute of Statistics (INE), Thelma Galvez, who reported that if the CPI is 1.5 percent a month between now and December, the goal of 18 percent projected by the INE will be achieved.

The "Unidad de Fomento" will increase by 102.69 pesos between 10 October and 9 November, reaching a total of 8,001.72 pesos. This represents a daily growth of 3.31 pesos.

Retirees

Between February (when the last adjustment was made for the inactive sector) and September, cumulative inflation amounted to 12.4 percent. Therefore, no adjustment will be made yet for pensioners and public assistance recipients, as current law provides that the cost of living must rise by 15 percent before they receive an increase.

"Looking at the series, this CPI [Consumer Price Index] is relatively good for September," stated Galvez, "because there is always the danger that one of the products with major seasonal variations will experience shortages and prices will soar, which would have an excessive influence. If we look at the price list, we see a trend toward moderate increases; not too many items have experienced major price hikes. It was a good month."

The products that registered these moderate increases are: liquefied gas, piped gas, domestic service, paraffin, and quarterly education expenses, which went up 3.3 percent and accounted for 0.079 of the 1.3-percent increase.

Thus, two thirds of the impact of food on the CPI, which was 0.9210 of the 1.3 percent, was in the subgroups of fresh fruits and vegetables.

Of the 368 products that make up the CPI basket, 242 went up in price in September, while 71 percent went down and 55 remained stable.

In the last 12 months, cumulative inflation has been 18.8 percent, while p73 the figure for the year is 12.9 percent.

By group, the growth over the last month has been as follows: food, 2.6 percent; housing, 0.5 percent; clothing, 0.7 percent; transportation and communications, 0.7 percent; and others, 0.7 percent.

Wholesale Prices

The Wholesale Price Index (WPI), which is important for wholesale trading, rose by 1.2 percent last month. So far this year it has climbed 11.4 percent, and the figure for the last 12 months is 17.7 percent.

Both domestic and imported goods rose by 1.2 percent. Among domestic goods, mining products fell in price, while agriculture-livestock products rose (potatoes, whole cut-up chicken, wheat, and pork) along with processed goods (beer, wine, lumber, cement, and petroleum derivatives such as liquefied gas, gasoline, and diesel).

The negative figures for mining products are due to a decline in the average price of domestic crude; imported crude, coffee, tobacco, and bananas represented 0.1657 of the 1.2 percent.

Central Bank Decides To Lower Interest Rate

PY0811014291 Santiago Radio Cooperativa Network in Spanish 2200 GMT 7 Nov 91

[Summary] The Central Bank decided to lower the banking interest rate, effective 8 November, and to reprogram a peso devaluation in relation to the dollar. The Central Bank lowered the annual interest rate of its promissory notes redeemable in 90 days from 5.7 percent to 5.2 percent.

Pinochet's Wife's Comments Called 'Inappropriate'

PY0711163691 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 7 Nov 91

[Excerpt] Minister Secretary General of Government Enrique Correa called today comments by Mrs. Lucia Iriart de Pinochet as inappropriate. Correa was asked to comment on remarks by General Augusto Pinochet's wife about an alleged moral crisis and, even, licentiousness in Chile.

[Begin Correa recording; in progress] ...we believe that the remarks made by Mrs. Lucia Iriart de Pinochet are inappropriate. They are inappropriate coming from a lady who because she is the Army commander's wife is also the president of Cema [Mothers Centers]. Let me reiterate that the remarks are inappropriate. [end recording]

Correa also criticized remarks made by Ivan Carrillo, spokesman for the political prisoners. Carrillo said that

Interior Minister Enrique Krauss should have been fitted with a muzzle when he was speaking against the political prisoners.

[Begin Correa recording] We are all concerned with the cause of freedom for the political prisoners. And, as we said, we believe that political prisoners are those who committed crimes for political reasons before 12 September 1990, whether or not they are on trial.

We all want the prisoners to obtain their release in Chile or to have their sentences commuted if they leave the country. We believe that this is an essential part of the reconciliation process. But the practice of verbal aggression against officials does not help solve the prisoners' problems. We believe Carrillo's remarks bring back bad memories. They bring back memories of when verbal aggression was a daily event. What we want is the reconciliation of the country. I believe we have successfully achieved the pacification of the spirits; peace and freedom reigns in the country. The verbal aggressions are inappropriate; they serve no purpose and only obstruct the cause they say they are defending. [end recording] [passage omitted]

Suspect in Senator's Murder To Be Extradited

PY0711150891 Santiago Radio Cooperativa Network in Spanish 2200 GMT 6 Nov 91

[Text] The Supreme Court of Justice approved this afternoon the extradition request for Sergio Olea Gaona, the only arrested suspect in the murder of UDI [Independent Democratic Union] Senator Jaime Guzman. Olea is currently being held in Carabanchel Prison in Madrid, Spain. This was announced by Supreme Court Secretary Carlos Meneses.

[Begin recording] The resolution states that the extradition request to the Spanish Government for Sergio Eduardo Olea Gaona for the crime described in Article No. 2, Clause No. 3 of Law No. 18314, which specifies terrorist behavior and establishes its punishment in keeping with Article No. 1, Clause No. 2 of the law, is applicable. [end recording]

Meneses reported that early tomorrow the message will be sent to the Foreign Ministry, which will proceed with the extradition process before the Spanish authorities.

Olea was charged in a Santiago Appellate Court resolution with being responsible for Guzman's murder . An arrest warrant for Olea is now considered a fact, given the latest Supreme Court decision. Olea fled from Chile at the end of April 1991. Jaime Guzman died in a gunshot attack near the eastern campus of the Catholic University on 1 April 1991. It was learned that Olea was found to be involved in the case when his fingerprints were found inside one of the stolen cars used in the attack.

Lautaro Youth Group Members Rob Santiago Bank

PY0611182091 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 5 Nov 91

[Text] Lautaro Youth Front members stole 4 million pesos in a new attack on a Santiago bank. The criminals held up a branch of the Santander Bank on the corner of Irrasabal and Seminario Avenues. The attack occurred at 1000 this morning.

Four men and two women, who were traveling in a truck and a car, participated in the robbery. Two of the criminals entered the bank and stole 4 million pesos. The other members of the gang waited for them in the vehicles, and one of the women stayed outside the bank to alert the thieves to the presence of police.

Shortly before the attack, the criminals left a box allegedly containing a bomb at a gas station near the bank; this forced Special Police Operations Group personnel to cordon off the area. After checking the box, the police found that it contained papers and a fuse.

The truck used by the criminals was found at 2400 Miguel Claro Street. The criminals disseminated pamphlets with Lautaro Youth Front slogans.

Five FMR Subversives Arrested in Curico

PY0811015291 Santiago EL MERCURIO in Spanish 1 Nov 91 pp C1, C8

[Report by Aquiles Melendez Cabello]

[Excerpt] Curico—Carabineros Prefect Colonel Luis Garcia Valderrama reported that one week after the arrest of seven members of a Manuel Rodriguez Front [FMR] cell, local Carabineros arrested on 31 October five more FMR terrorists.

Police reported that the detainees were placed in custody of the Curico Criminal Court and the Talca military prosecutor on charges of perpetrating attacks in the Seventh Region.

The detainees were identified as Agustin Reyes Vera, alias Emilio; Marco Antonio Ruiz Herrera, alias Israel; Jorge Patricio Oyarzun Arenas, alias Camilo; Heriberto Rosalindo Pavez Diaz, alias Hector; and Cristian Luis Ureta Bravo, alias Daniel.

The Curico prefect reported that the terrorists claimed responsibility for nine terrorist attacks. [passage omitted]

Bombs Deactivated in Villa Francia Kindergarten

PY0711143491 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 6 Nov 91

[Text] Members of the GOPE [Special Police Operations Group] deactivated three bombs planted in a kindergarten playground in Villa Francia District, Santiago.

[Begin recording] [Unidentified reporter] The incidents in Villa Francia occurred after 2200 last night following a demonstration staged by district dwellers in memory of Pablo Vergara, who was killed three years ago in a bomb explosion.

Several groups blocked street traffic and built barricades. Carabineros broke up the demonstration with tear gas and heavy vehicles. After the incidents, Carabineros did not report any injuries, but they did report that four people were arrested.

This morning, three bombs were found in the Sacerdote Leopoldo Manzor kindergarten of the Community Services Foundation.

[Unidentified woman] I immediately phoned the Carabineros to inform them about the bombs. The Carabineros deactivated the bombs. The police also found a Manuel Rodriguez Patriotic Front kerchief in the garden of the kindergarten. At the time, 67 children, along with their teachers, were attending classes in this building. [end recording]

New Central Labor Union Leadership Appointed

PY0711155891 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 6 Nov 91

[Summary] After learning the results of elections, the CUT [Central Labor Union] Executive Board appointed yesterday Manuel Bustos CUT president for the next four years. Arturo Martinez was appointed first vice president; Maria Rosas was appointed second vice president; Sergio Aguirre was appointed third vice president; and Fanor Verdugo was appointed treasurer.

New Appointments in Army Command Announced

PY0711234091 Santiago EL MERCURIO in Spanish 23 Oct 91 p C6

[Summary] Major General Hector Darrigrandi Marquez, the chief of Army personnel, was appointed Army deputy chief of staff. Major General Ramon Castro Ivanovic, the Chilean military attache in Washington, D.C. was appointed chief of Army personnel.

* RN Commission Urges Constitutional Reforms

92SM0052A Santiago EL MERCURIO in Spanish 8 Oct 91 p C3

[Text] The Constitutional Studies Commission of National Renewal (RN) yesterday submitted to the political commission of that party a study which states that in the future there will be "an offensive launched by some sectors of the Coalition [Concertacion] to introduce a large number of amendments to the Fundamental Charter [constitution] of 1980." The study goes on to say that the party should be prepared to deal with this offensive.

"The reforms that are being proposed, considered as a whole, represent an attempt to change the current constitutional system," says the study, which was written by Carlos Reymond, Francisco Bulnes, and Miguel Luis Amunategui.

The internal document was drafted to serve as a basis for the adoption of positions on constitutional reform issues. It adds that the agreement that led to an "extremely important reform" in 1989 should be respected and maintained.

The commission, though cognizant of the role the Constitution has played in upholding the foundation of the economic, social, and political structure, contends that "it is, on the other hand, unreasonable to adopt a rigid or dogmatic attitude that prevents us from considering modifications in the constitutional text."

Proposed Reforms

First of all, the commission takes a stand on the bills involving constitutional reform that have been submitted to Congress by Coalition legislators.

Regarding the reform of the judiciary, RN maintains that it should be carried out without any attempt at politicization or at eliminating the independence of the judiciary.

The commission believes that the power to determine the urgency of legislation should be restored to the two houses of the Congress so that they can set aside the executive branch's urgency rating when a committee is considering more than two bills.

As for the broadening of the scope of congressional immunity, advocated by Christian Democratic Deputies Bosselin and Ojeda, the experts argue that there is no reason to extend this exceptional status to other areas beyond the official duties of legislators.

The commission states that the matter of extending the regular legislative session to 31 December and continuing to process legislation from that period during the special session, merits more detailed study.

The RN commission believes that the proposal to restore the Chamber's power to oversee the Central Bank should be rejected because it interferes with that institution's autonomy.

Expected Reforms

The commission is also studying the most significant of the reforms that the Coalition is expected to propose.

Regarding the elimination of the designated senators, RN believes that they have been a balancing factor and that because of their prudent action, they should be kept on.

As for the immovability of commanders in chief, the commission asserts that it does not exist in absolute

terms, and that the standard was made more flexible when the earlier reforms were passed.

The experts argue that extending the current presidential term would run counter to the will of the people, who elected Aylwin for a certain period of time. Changing the term would violate the proper exercise of constituent power.

In response to the proposal to increase the number of deputies and senators, RN's position is that this reform would involve a great deal of disruption, because the senatorial jurisdictions and districts would have to be redefined. The commission adds that the current two-senator system would most certainly have to be changed to a proportional representation system.

Regarding the National Security Council, the commission maintains that the reforms carried out in 1989 were the product of a consensus and should be kept, as this body represents an element of integration and pacification that protects the institutions and the rule of law.

Colombia

Fifty Kidnapped People Rescued During Past Year

PA0611132991 Madrid EFE in Spanish 1617 GMT 5 Nov 91

[Text] Santa Fe de Bogota, 5 Nov (EFE)—The Directorate of Judicial Police and Investigations (DIJIN) reported on 5 November that the Anti-Extortion and Kidnapping Unit (UNASE), which was organized in Antioquia Department last year, rescued 50 people during the past 12 months.

During UNASE actions, 91 kidnappers were killed and 107 were arrested, including common criminals and guerrillas. Authorities also arrested 326 people charged with extortion. Twenty people were killed when they resisted arrest.

DIJIN also reported that UNASE seized 25 vehicles; 89 weapons; and a large amount of ammunition, including 36 grenades, dynamite, and camouflaged uniforms.

The success of UNASE in Antioquia, which is the department that has suffered the greatest number of abductions in the country, prompted the government to form similar units in other cities such as Cali and Santa Fe de Bogota.

The Antioquia UNASE was able to prevent five billion pesos (approximately $8 million) from being paid to kidnappers. A few families had to pay almost as much to bands of kidnappers.

DIJIN statistics indicate that 66 percent of the people rescued by UNASE were held by common criminals and 20 percent by drug traffickers; the rest were in the hands of the Simon Bolivar Guerrilla Coordinating Board.

The Association of Colombian Farmers (SAC) reported that a total of 475 people who were kidnapped are still being held captive in Colombia as of 1 November. This number does not include the approximately 50 soldiers that are in the hands of the guerrillas.

According to the SAC report, of the total number, 300 people work in agriculture-related fields, and Antioquia is the department where the most kidnappings occurred.

Roundup of Guerrilla Activities 20 Oct-4 Nov

PA0811010991

[Editorial Report] The following is a compilation of reports monitored by Panama Bureau on guerrilla activities in Colombia from 20 October to 4 November.

Santa Fe de Bogota EL NUEVO SIGLO in Spanish on 20 October on page 8 carries a 250-word report stating that a cattleman and a peasant were killed by alleged guerrillas in El Cesar Department. The report adds that a person who was held hostage by the Army of National Liberation (ELN) was released after the rebels received ransom payment. Police reported that cattleman Jose Martin Altamar del Castillo was found dead between the municipalities of El Copey and Bosconia while Jose del Carmen Santana, who was accused of being an informer, was kidnapped and killed by Revolutionary Armed Forces of Colombia (FARC) rebels in Aguachica. Cattleman Angel Maria Devia, 50, who was held by the ELN for about 17 days, was released. The report adds that authorities have no clues on the whereabouts of the terrorists who blew up the home of cattleman Orlando Narvaez in the Sevilla de Neiva neighborhood. Authorities found a letter in which the "Medellin Cartel claimed credit for the attack." The report concludes by stating that members of the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] attacked the police station and mayor's office in Fosca municipality.

Santa Fe de Bogota EL NUEVO SIGLO in Spanish on 26 October on page 14 carries a 500-word report on "several terrorist attacks staged against four political headquarters, two bank branches, and the Tolima University in Medellin on the morning of 25 October." Jairo Ortega, liberal party politician, said the attack caused considerable damage to the party headquarters. The second attack was staged against the office of Fabio Valencia Cossio, a candidate for senator. A similar attack was staged against the office of Cesar Perez Garcia, a candidate for the house of representatives. Later a bomb exploded in the United Movement party headquarters in Antioquia. According to the police, one terrorist was wounded in one of the explosions. "The so-called People's Militias claimed credit for the attacks in telephone calls to the media." On the morning of 25 November, alleged "ELN rebels staged dynamite attacks against the branches of the Bogota and Popular Banks." The rebels left communiques explaining that the attacks were to protest the management's policies; its dismissal of workers; and bank privatization.

The same source carries a 150-word report on page 17 stating that "FARC members staged an incursion in San Juan del Sumapaz in Cundinamarca Department." Also, the ELN kidnapped a nurse in Tibu, northern Santander, to get her to treat wounded guerrillas. According to the report, "25th FARC Front guerrillas attacked a military patrol and killed Francisco Perez Hincapie."

Santa Fe de Bogota EL NUEVO SIGLO in Spanish on 29 October on page 8 publishes a 400-word report which reads that "three policemen, one soldier, and three guerrillas were killed and one soldier, one civilian, and two policemen were wounded as a result of actions staged by columns of the FARC, ELN, and a dissident wing of the Popular Liberation Army in the departments of Casanare, Caqueta and Meta in Cordoba Department." Also, the police reported that three rebels were killed in a clash between antiguerrilla units and members of the Camilist Front of the Army of National Liberation (UC-ELN) in San Andres de Sotavento, Cordoba Department. "Military authorities seized two AK-47 rifles; revolvers; pistols; ammunition; and other materiel."

Santa Fe de Bogota EL NUEVO SIGLO in Spanish on 30 October on page 12 carries a 300-word item reporting that "ELN guerrillas blew up a stretch of the Cano-Limon-Covenas oil pipeline near Convencion, northern Santander, according to the Colombian Oil Enterprise (Ecopetrol)." The oil spill contaminated the Campoalegre, Miraflores, and La Tiradera creeks and the waters of the Catatumbo River, which spills into Maracaibo Lake. Ecopetrol notes that "there have been 52 attacks on the Cano-Limon-Covenas oil pipeline this year, causing losses estimated at over 3.75 billion pesos."

Santa Fe de Bogota EL TIEMPO in Spanish on 30 October on page 9a carries a 400-word item reporting the death of two FARC rebels in clashes with the Army in Montanita, Caqueta Department on 29 October. Meanwhile, Army and Police units are searching the Middle Magdalena region for a Western Company helicopter that was engaged in seismic explorations in the area. According to reports, "the aircraft was reportedly intercepted by guerrillas who forced the crew to divert the flight from its course."

Santa Fe de Bogota EL TIEMPO in Spanish on 31 October on page 14a carries a 300-word report which reads that "Rafael Moya Hernandez, public works secretary of Mesetas municipality, and two other members of Patriotic Union (UP) were killed while traveling from Granada to Ariari." Miguel Antonio Rubio Lopez, Mesetas mayor, explained that apparently there is a campaign to eliminate all UP militants in Villavicencio Department. Also, the Army reported in Bogota that troops of the Heroes de Guepi Battalion killed thre FARC guerrillas on 30 October in La Hechicera, jurisdiction of Union Paneya corregimiento, municipality of La Montanita, Caqueta Department.

Santa Fe de Bogota EL NUEVO SIGLO in Spanish on 31 October on page 12 carries a 140-item citing an official report that four members of the CNGSB were killed in clashes with military troops in Caqueta and Casanare Departments. Also, in Bolivar Department one member of the Popular Liberation Army (EPL) was killed and three were captured by the police in an operation in which five million pesos, which were stolen during a holdup, were recovered. Santa Fe de Bogota Emisoras Caracol Network in Spanish at 1200 GMT on 3 November carries a two-minute report stating that Sergio de Jesus Congote, vice president of the union of workers of Zaragoza, was shot to death. His bullet-riddled body was found in the outskirts of Zaragoza. The report adds that an ambush by CNGSB members on a public works vehicle between Remedios and Puerto Berrio left one officer, three soldiers, and one civilian dead; three soldiers missing; and two civilians wounded in Montebello, Antioquia.

Paris AFP in Spanish at 1540 GMT on 4 November carries a 60-word item reporting that the Jose Antonio Galan Front of the ELN kidnapped Nelson Gamez, Omar Rodriguez, and Robinson Perez who were working on the Colombia oil pipeline. The action was carried out by the same group that had killed earlier five soldiers who were patrolling the area. The report adds that two soldiers were kidnapped by 10 ELN members in northern Santander.

Ecuador

U.S. Accused of Unduly Alarming Tourists

PA0811043391 Paris AFP in Spanish 1645 GMT 7 Nov 91

[Text] Quito, 7 Nov (AFP)—Ecuador believes that U.S. authorities are exaggerating when they issue tourist advisories, it was reported here on 7 November. Nonetheless, Ecuador has announced that it will increase police controls to avoid sporadic attacks by common criminals.

A U.S. State Department tourist report places Ecuador on its "alert" list, the equivalent to dangerous, thus going against Ecuador's traditionally peaceful environment. Cesar Verduga, government and justice minister, has called the report "unfair."

The U.S. Embassy reported nine attacks on U.S. citizens in October. These attacks occurred in Cerro del Panecillo in the center of Quito. Seven of the nine persons were threatened with knives. In previous months, thieves stole cameras and money from tourists visiting churches.

The victims include two businessmen who were visiting Ecuador to investigate investment opportunities in tourism. This is probably one of the reasons why the U.S. Government issued the warning.

Bruna Stornaiolo, director of the Ecuadoran Confederation of Tourism (Ceturis), described these thefts as isolated incidents that occur in every country.

Minister Baca Carbo Resigns To Run in Elections

PA0511010891 Madrid EFE in Spanish 0041 GMT 2 Nov 91

[Text] Quito, 1 Nov (EFE)—Social Welfare Minister Raul Baca Carbo [name and title as received] resigned on 1 November to run for president for his party, the ruling Democratic Left, in the May 1992 elections.

Ecuadoran electoral law states that any state minister or public official wishing to run in the next election must resign his post six months before the date of the election.

Baca Carbo has served as social welfare minister since 10 August 1988, when the social democratic government was installed.

President Rodrigo Borja appointed fellow party member Antonio Gagliano to replace Baca Carbo.

Paraguay

Cuba Attends Latin American Relations Meeting

PY0811135291 Asuncion ABC COLOR in Spanish 8 Nov 91 p 14

[Text] Cuban politician Oscar Fernandez yesterday conveyed Fidel Castro's greeting to Chamber of Deputies President Jose A. Moreno Rufinelli.

Fernandez is in Asuncion to attend the 13th annual meeting of the Program for Joint Studies on Latin American International Relations [RIAL]. Several other foreign experts also participated in the meeting.

During his visit to the Chamber of Deputies, Fernandez met with Moreno Rufinelli for approximately 20 minutes. He said that during the RIAL meeting he explained that "Cuban foreign policy is based on his country's integration with other Latin American countries."

"We do not have formal relations with Paraguay, but my presence here indicates that there is friendship between our two countries," he emphasized.

Peru

Fujimori Criticizes Human Rights Groups' Silence

PY0711210691 Lima EXPRESO in Spanish 1 Nov 91 p A4

[Text] In a letter addressed yesterday to Patrick Robinson, chairman of the Inter-American Human Rights Commission, President Alberto Fujimori deplored that "some human rights commissions do not condemn the Shining Path's and MRTA's [Tupac Amaru Revolutionary Movement] frequent and atrocious crimes and that instead such commissions remain unjustifiably silent, in an attitude that verges on complicity."

He stated: "All this has promoted a dangerous game that blesses the impunity of terror and, even worse, allows spokesmen for those terrorist groups to justify, in the most scandalous manner, those dreadful crimes."

In his letter, the president explained that since 1980, Peru has been under an atmosphere of violence and terror that has claimed 20,000 lives and caused losses of $20 billion. "This is irreparable," he noted.

"To this end, considering our common respect for human rights, I would like to ask Dr. Robinson to avoid ignoring the murder of Alberto Pipa Toscano, a leader of the Horacio Zevallos neighborhood, who was murdered by the Shining Path on charges of cooperating with the construction of a new local school."

Also, the murder of Juana Lopez de Zarate, who was a leader of the mothers' club of the Juan Pablo II neighborhood, a promoter of the Milk Program, and was "executed on charges of being an informer." Also the use of a 9-year-old boy for exploring a mined field for the purpose of dynamiting a high-tension tower. The boy died as a result of an explosion.

The president said that this last case reflects the degree of fanaticism and insanity of those who have lost all respect for life.

The letter concluded by stating: "Today we are embarked on a national reconstruction program in which all circles are participating with faith and hope. The only thing we do not yet have is peace. Our hands should no longer hold the weapons of war but the weapons of development and progress. May God soon allow Peru to once again live in peace. My government will do all in its power to make the work of your commission as fruitful as possible."

Party Deputies Demand End to Blockade of Cuba

PY0711155691 Lima LA REPUBLICA in Spanish 2 Nov 91 p 5

[Text] A large number of deputies from several parties, including Cesar Barrera Bazan, first vice president of the Chamber of Deputies, have issued a communique demanding a cessation to the economic and commercial blockade that has been imposed on Cuba for 31 years.

The congressmen also appealed to the governments and political communities of Latin America to defend the principle of self-determination in order to strengthen the integration of the subcontinent.

They stated that in 32 years, the Cuban people and government have shown that they have been able to make decisions about their destiny and to chose their own political system despite the economic and commercial blockade that hinders the country's efforts for major development.

They contend that in the past three decades, Cuba has been able to implement a high-level cultural and educational system, thus defeating illiteracy and truancy, a fact that is an example for Latin America.

The communique was signed by Wilfredo Alvarez Valer; Bernardo Dolmos Vengoa; Julio Castro Gomez; Wilmer Lumba Tirado; Edgar Teran Iriarte; Julio Diaz Palacios; Pascual Arhuata Coarita; Fernando Flores Araoz; Geno Ruiz Hidaldo; Manuel Dammert Egoaguirre; Petronila Rabanal Segura; Juan Miguel Perez del Castillo; Carlos Castillo Hoyos; Hildebrando Salgado Cervera; Alberto Quintanilla Chacon; Luis Bernuy Espinoza; Angel Poma Siancas; Carlos Rivas Davila; Juan Aguilar Santisteban; Manuel Asmat Asmad; Genaro Velez Castro; Herminio Porras Oroya; Daniel Vera Ballon; and Guillermo Yoshikawa Torres.

Government To Pay U.S. Oil Company $38 Million

PY0711203291 Lima EL COMERCIO in Spanish
1 Nov 91 p A1

[Text] Energy and Mines Minister Fernando Sanchez Albavera yesterday reported that the government has decided to pay the U.S. Occidental Petroleum Company (Oxy) for debts amounting to $38 million, plus financial costs and arrears.

The decision was adopted in the 30 October meeting of the Council of Ministers and was authorized by the state bank, which will make the necessary transfers.

According to Sanchez it is hoped that when the Central Reserve Bank determines the financial clause, Oxy will sign a new contract in the near future and it probably will make a significant investment in the country with the drilling of at least 10 to 12 development wells in the 1-AB sector.

He explained that a disagreement has been avoided that would have meant paying a larger oil tariff from 1987 to date.

The total capital will remain in Peru because Occidental promised to invest in oil exploration the full amount that is to be paid by the state oil enterprise, in other words Petroperu [State Petroleum Agency].

Government To Pay $44 Million in Oil Debts

PY0711224491 Lima EXPRESO in Spanish
2 Nov 91 p A13

[Text] The government ordered yesterday payment of pending obligations for $44 million to Petroperu [State Petroleum Agency] oil contractors. The debts were contracted before July 1990, during the previous administration.

To this end, a decree issued by the Ministry of Economy and Finance yesterday authorized the state bank to grant Petroperu a $44 million credit—with a state guarantee—that will be destined for the payment of debts owed to the contractors.

In its whereas clauses, the decree states that Petroperu will be granted the credit in order to guarantee the normal supply of oil in the country.

It adds that Petroperu will return the credit to the state bank "exclusively with the funds that will be earmarked through the National Commission of Hydrocarbon Prices," which in plain words means that the repayment of the debt will be transferred to prices and thus, to consumers. Otherwise, the state guarantee will allow the state bank to enter the debt as a liability in the Treasury account, which in this case will place the credit repayment burden on taxpayers' shoulders.

Central Bank Reduces Legal Foreign Reserves

PY0711230491 Lima EXPRESO in Spanish
2 Nov 91 p A12

[Text] As was reported three weeks ago, during an executive board meeting on 30 October the Central Bank decided to reduce the additional legal reserves [tasa de encaje marginal] on foreign currency deposits from 60 to 50 percent, as of the first week of November.

No modifications have been ordered yet on local currency deposit legal reserves. Reliable sources, however, take for granted that this month it will be reduced from 15 to 10 percent.

In a report that will be issued once a week, the Central Bank reported that its executive board on 30 October approved a 3.5 percent primary issuance of money [emision primaria] for November, in line with the downward trend the bank is pursuing.

* Business Groups on New Foreign Investment Law

92SM0055B Lima CARETAS in Spanish
14 Oct 91 pp 28-29

[Text]

Opening the Doors

When the administration, pursuant to the legislative powers yielded by Congress, enacted a legislative decree to promote foreign investment in Peru, the consensus among production sectors was that the country was moving to significantly open up its economy and trade, which entailed major challenges as well as great opportunities.

Nevertheless, the new law is hardly an answer for the National Mining Association, given the serious situation in the mining sector that faces the country. According to its president, Augusto Baertl, of the 450 small mining companies that were operating in 1985, today there are just three or four left. As for medium-sized mining firms,

20 of 80 have shut down, and 20 others have begun the paperwork with the Labor Ministry to close their doors.

Baertl wonders what incentives would prompt an investor to put money into mining when the sector is being hurt by the exchange-rate lag, which he considers a sort of unseen tax whereby a miner receives only a third of what his product is worth; by the 10 percent tax on copper exports; by the selective user tax on oil and fuels, and by the IGV [general sales tax], which is passed on to the price of goods.

From now on, foreign firms will have the same rights and duties as Peruvian companies, and there will be guarantees of freedom in trade, industry, imports, and exports and for the ownership, use, and availability of foreign currencies. In the view of the National Association of Exporters this lays the groundwork for domestic exporters not only to absorb technologies but also to forge closer commercial and financial ties with foreign companies, thus encouraging joint ventures.

Moreover, the export sector could also benefit from the establishment in our country of industries that will maximize the use of our natural resources.

Confiep [National Confederation of Private Business Organizations] believes that the new law is essential because our country now offers a competitive legal environment for overseas investment. Its president, Jorge Camet, says that Peru has not been attractive to foreign investors in recent years because of unfavorable legislation, which even went so far as to prevent the repatriation of profits and capital for several years. It was for this reason that investors who wanted to put money into Latin America chose Colombia or Chile.

Camet thinks that along with the new law it is absolutely essential to establish arrangements that will lend legal security to domestic investment, arrangements similar to those in the Foreign Investment Law, so that the restrictions that private investors encounter in certain sectors are eliminated.

Aside from how helpful the law may be, domestic businessmen agree that an improvement of the legal framework for investment must be included in what is known in the country as physical security, that is to say, the wise management of macroeconomic policy.

Armed Forces To Increase Help to Townspeople

PY0611233091 Lima LA REPUBLICA in Spanish 29 Oct 91 p 6

[Text] The Armed Forces will increase their cooperation with civilians in various Peruvian towns in an effort to alleviate the towns' most pressing problems.

In addition to their antisubversive action, Armed Forces personnel who are deployed in the interior also engage in support action in solidarity with humble townspeople, as they have been doing in areas of Lima like Raucana, Horacio Zevallos, Ventanilla Alta, San Juan de Lurigancho, and others.

In Cayara, Victor Fajardo Province, the Armed Forces are helping to build a church and a chapel.

In Accomarca, Vilcashuaman Province, the Armed Forces are building five rooms for the local education center.

In Cangallo, the Armed Forces are supporting efforts to place poles for the Entel Peru [National Telecommunications Enterprise of Peru] cable network.

Army Troops Asked To Leave San Marcos Campus

PY0711211891 Lima EXPRESO in Spanish 1 Nov 91 pp 8, 9

[Text] San Marcos National University Rector Wilson Reategui said yesterday that the university "cannot become the focus of a dispute between two belligerent forces," for which reason he demanded the withdrawal of Army troops. He also condemned subversion.

He said: "The mission of the university is to produce the professionals needed by the country. Terrorist infiltration continues despite the four months of military occupation of the campus." He added that a joint effort by the university community will make it possible for them to counter the Shining Path ideological offensive.

The rector of the 400-year-old university stated that university authorities are willing to fight subversion in every corner of the university. "Reason and intelligence are on our side," he said.

In this regard, he condemned the presence of terrorists at the university, adding that "the presence of 1,000 or 2,000 soldiers on our campus will not resolve the problem. We are not a breeding ground for subversion," he said.

The rector talked to reporters before leading a demonstration on the campus demanding the withdrawal of Army troops and condemning subversion.

* Urban Patrols in Tumbes Department Described

92SM0055D Lima EL COMERCIO in Spanish 12 Oct 91 p A11

[Report by Samuel Lizana S.]

[Text] In spite of its persistent lack of basic services such as electric power, drinking water, sewerage, decent roads, and others that are unthinkable in a border region with more than 110,000 inhabitants, there is still peace in the streets in Tumbes, thanks in part to law enforcement agencies but mainly to the citizenry, who want to live in harmony, free from violence. As a result, terrorism is practically nonexistent in the region, whose

leading authorities are rightly demanding greater attention from the central government so that it can achieve its much sought after development.

Convinced that "Tumbes will achieve well-being only with social peace and more jobs," the rural and urban patrols are performing their daily policing mission to help law enforcement agencies battle crime and prevent terrorist violence from appearing in this border region.

Florentino Arizola Olaya, the president of the first Tumbes rural patrol, which was formed in the town of Aguas Verdes on 21 May 1989, said that as of now more than 16,000 rural patrol members are making their daily rounds to safeguard their crops, mainly bananas and rice, and "prevent crime and terrorism."

"We peasant farmers love the land. We are hardworking people and we wish everyone well, but we will not accept thieves or rustlers, much less those who try to impose violence. We will not allow this, and so we are well organized," said Arizola, who is also the general coordinator of the Tumbes rural patrols.

During the interview that he granted to EL COMERCIO in Aguas Verdes the leader called on the government to give weapons to the patrols, which have only some short-range firearms, clubs, and whistles. They use the latter to sound an alert.

He emphasized that the patrols are well organized and generally "ambush" those who try to steal crops. "We thrash the ones we catch committing a serious crime and then take them to the police," he said.

One of the most recent incidents took place on 29 September in the "Loma Sagrada" area some 10 km from Aguas Verdes. A stolen vehicle, license plate LI-1912, which was being driven off to Ecuador, was intercepted that day. "The next day the police found the body of the unlucky driver near the local airport. He was identified as Alfredo Morales Cobos," Arizola said.

He noted that some of the rural patrols operate in rural areas dubbed "Positos," "Cucharita Baja," "Cucharita Alta," "Papayal," "Loma Sagrada," "Una de Gato," and "Los Palmares," with their members making their rounds on specific shifts.

The leaders of the rural patrols in Tumbes have their main "base" near the international bridge between Peru and Ecuador. Some of the patrols perform their mission in this zone too and have the massive support of Aguas Verdes merchants.

Urban Patrols

Meanwhile, even though the urban patrols have not yet been recognized legally, they continue to perform their watchdog mission to keep the peace, in conjunction with the local authorities, mainly in the zones called "El Tablazo," "Buenos Aires," "El Milagro," and "Pueblo Nuevo."

Urban patrols are in the midst of being formed as well in other villages, such as "San Jose," "Pampa Grande," "Puyango," and "El Pacifico," and several have, in fact, already begun making their rounds, equipped with small arms, clubs, and other blunt instruments.

In this regard, Jose Castillo, the president of the urban patrol in "El Pacifico," a village with more than 1,000 inhabitants, stated that patrols have been organized to combat crime and prevent a terrorist cell from developing.

"President Fujimori told us last Sunday that he would send us arms late this month. We hope that he does, to help keep the peace in Tumbes," he emphasized.

Castillo and other urban patrol members in "El Pacifico" carry showy green poles identifying them as such.

Have Backing of Armed Forces

In this connection, the military chiefs of the border region expressed their support for the rural and urban patrols, remarking that they "contribute to social peace in Tumbes."

The chief of the First Army Infantry Division headquartered in Tumbes, General Jorge Guimac Bonifaz, commented that it is good for the country when a strategic military area like Tumbes has organized civilian groups, such as the rural and urban patrols, "that are cooperating with the forces of law and order in order to keep the peace."

* Senate Extends Agricultural 'Emergency' Period

92SM0055C Lima CARETAS in Spanish
21 Oct 91 p 20

[Text]

Meager Harvest

The decision of the Senate Agriculture Committee to extend the farm emergency to July 1995 instead of 31 December 1993, as had initially been proposed, is unlikely to prevent production from falling 20 percent next year. The fact is that the Agrarian Bank (BA) does not have enough funds to defray the high cost of the 1991-92 crop year, which has begun late and with loans granted in dribs and drabs.

The problem is the inability to recover the $110 million in loans granted farmers the previous season (CARETAS 1178). Nonetheless, several deputies said that the BA's operating costs have risen, preventing it from recycling loan repayments into fresh farm credit. According to Deputy Edmundo del Aguila (Popular Action), operating costs were up 10 percent in 1989 and 40 percent in 1990, representing an outlay of $70 million of the $180 million that it had obtained that year.

Separately, the BA is evaluating a portfolio of projects that will be sent to international financial institutions in a bid to secure financing for this farming year. For the time being it has already hammered out a preliminary agreement with the

International Fund for Agricultural Development under which it will contribute $19 million to a project for the peasant communities in the central highlands.

It is incredible that with an agronomist as president of the Republic agriculture is a disaster today.

Hectares in Cultivation by Region

Year	Coast	Highlands	Jungle	Total
87/88	388,776	288,321	431,089	1,108,186
88/89	358,145	227,492	413,988	999,625
89/90	313,217	301,967	393,876	1,009,060
90/91	176,613	173,342	182,787	532,742

Fewer hectares are being planted every year. During the previous crop year the area was halved. How paradoxical, since an agronomist is president of the Republic.

Commission Finds 6,000 Enslaved Youths in Mines

PY0711210291 Lima EXPRESO in Spanish
2 Nov 91 p A7

[Text] Cusco—Children Rights Commission representatives investigating the trafficking of children in Madre de Dios' gold-mining operations have verified the existence of three clandestine cemeteries and 6,000 captive minors working in subhuman conditions in 5,000 gold placers.

Cecilia Torres, Children Rights Coordinating Board executive secretary, visited the zone and reported to Inca Region Commission President Adolfo Saloma Gonzalez on the situation of 6,000 minors—between 12 and 18—who currently are working without contracts; are not paid the legal salary; and are detained as prisoners and not allowed to return to their homes.

According to the report written in the field, many children suffer from tuberculosis, anemia, and other diseases typical of the jungle such as the Uta [not further specified]. Commission representatives have asked the regional government to immediately rescue all the captive minors.

Testimony taken at the gold placers was moving. The commission brought back certifications and testimony from some of the minors, most of whom come from southern Peruvian Andean zones.

A second investigating commission is presided over by the commission's legal representative, Jorge Huapaya, who reported on the situation three months ago.

Huapaya's team visited the area of Laberinto, Colorado, Barraca, and Huaytepetue. The team found 23 graves in Boca Punquiri and 53 graves in Bocanegra Mayo, in the deep jungle.

* Government's Labor Decrees 'Unconstitutional'

* Decrees, Reaction Assessed

92SM0054A Lima CARETAS in Spanish
21 Oct 91 p 22

[Text]

Labor: Administration Changes the Landscape in 15 Months

Of the long list of labor-related measures and decrees that the administration has handed down since its term began, experts regard the following as the most far-reaching:

—Supreme Decree 064 (September 1990), Regulations on Job and Youth Training, which provides that young people ages 16 to 21 may work for private companies.
—Supreme Decree 070 (November 1990), which sets forth rules governing the right to strike in the essential services of health care, sanitation, and the distribution of water and power, the interruption of which could cause harm.
—Supreme Decree 076 (December 1990), which provides for the establishment and organization of unions (there can be more than one in companies with at least 20 employees) and lays down the requirements for membership.
—Supreme Decree 077, which establishes new rules for the hiring of workers for a fixed period of temporary work only. It amends the regulations enacted by the APRA [American Popular Revolutionary Alliance] government in creating the emergency job program (Proem).
—Supreme Decree 015 (March 1991), which temporarily establishes new rules for remuneration for time of service; they provide that the proceeds of worker compensation funds be deposited in the financial system in domestic or foreign currency.
—Supreme Decree 016, which governs the extension and amendment of the Job Security Law, indicating the serious infractions that could be grounds for dismissal.
—Supreme Decree 017, which creates and convokes the National Council of Minimum Vital Remuneration; the council will be made up of workers, employers, and representatives of government.
—Supreme Decree 018, which provides for temporary arrangements to meet demands; it states that demands not resolved by agreement of the parties are to be settled by the General Directorate of Labor.
—Legislative Decree 677 (8 October 1991), which dissolves the compensation communities and amends the code of Labor Communities. It modifies the percentage of profit-sharing in accordance with the production sector. Workers in industrial, fishing, and

telecommunications companies will receive 10 percent, miners 8 percent, and the other sectors 5 percent.

Dr. Carlos Blancas Bustamante indicated that the measures are designed to bolster the free-market economic model that the government has been implementing. The problem is that they have created a conflict with the provisions of the constitution that protect the rights of workers to job security, to strike, and to collective bargaining. Therefore, as far as Blancas is concerned, the measures are unconstitutional, as is the decree concerning the Labor Community, which has abolished the right of workers to sit on boards of directors and their right to labor shares, rights that are expressly acknowledged in Article 56 of the constitution.

For his part, the representative of the National Industries Association, Nestor Pedraza Azurin, noted that the government's labor provisions are the most advantageous for both the workers and employers or industrialists. The change in the Labor Community will promote investment, thus creating new jobs, he added.

* Decree 677 Criticized

92SM0054B Lima SI in Spanish 14-22 Oct 91 p 29

[Text]

Labor Shares

How many workers are involved at present in the labor communities? No more than 400,000, 5 percent of the work force, an insignificant number if we compare it with the 73 percent underemployment and the 10 percent outright unemployment that beset the bulk of Peru's 8 million working-age people.

One decree has again put them in the center of the debate. We are talking about Legislative Decree 677, which on the one hand extends the labor community to workers in banking, commerce, and insurance, bringing them into the system from which they were excluded. This may seem like an encouraging sign.

This restriction, which runs counter to the letter and spirit of Article 56 of the Constitution, which enshrines the right of workers to take part in the management of companies, has prompted legislators who are not necessarily champions of the workers, such as Antero Flores Araoz, to submit a bill in the lower house to repeal Legislative Decree 677. In the opinion of some, this decree has delivered a coup de grace to the labor communities by turning the labor shares [acciones laborales] into worker shares [acciones de trabajo], which can be freely bought and sold.

Article 2 of the new law sets the following percentages for common profit-sharing in the community enterprises: mining, 8 percent; fishing, 10 percent; telecommunications, 10 percent, and enterprises engaged in other activities, 5 percent. The financial and commercial firms that recently joined the system are included among the latter.

* Aprista Party Leaders on Garcia, Ruling Party

92SM0055A Lima EL COMERCIO in Spanish 20 Oct 91 p A5

[Text]

PAP [Aprista Party of Peru] Stages Demonstration in Support of Alan Garcia

The Aprista Party staged a demonstration in support of former President Alan Garcia last night at its headquarters on Alfonso Ugarte Avenue after the constitutional charges against him were approved.

Deputy Carlos Roca Caceres and Senator Armando Villanueva delivered speeches to an audience of party leaders, Garcia Perez himself, and Aprista activists.

Without expressly mentioning the Change 90 group, most of whose members voted in favor of the charges in the Senate, Roca Caceres said that "those to whom we gave all our support" could only be described as "accomplices of the right." In this connection, he announced the start of a party campaign to criticize and combat what they regard as negative aspects of the administration.

For his part, Villanueva del Campo indicated that "there can be no understandings with the servants of the oligarchy." Alluding once again to the group in power, he said that he did not believe that national unity was possible because "there cannot be unity with people who make promises during the campaign and then do not keep them."

He belittled the existing "leftist groups," which also voted to send the Garcia case to the Judiciary, and lastly voiced his confidence in the country's system of justice.

Garcia closed the demonstration, saying initially that his speech was going to be very short; he spoke for about 40 minutes, however.

He first stated that the PAP was being put to the test now and that this episode has shown the standards of their adversaries.

He then asked PAP members to be calm, patient, and high-minded, "but not passive," a request that he made throughout his address.

He too criticized the left, which he said was "in ruin amid the rubble of the Berlin Wall."

Alan Garcia recounted some familiar stories from his party's history. He recalled his administration's policy of anti-imperialism and of not yielding to the IMF and thus criticized the current administration and its leader, President Alberto Fujimori, for its debt payments to international organizations.

He said that this policy of his administration and its nationalization of the financial system had made him a hated man against whom a campaign was being waged, a campaign that he said must not hurt his party.

Terrorist Activities Reported 29-31 Oct

PY0611220691

[Editorial Report] Following are reports on terrorist activities in Peru compiled from Peruvian papers published between 29 and 31 October. Publication information is given in parentheses after each item.

Peasant Defense Patrol members repelled an attack by 300 Shining Path terrorists armed with submachine guns. Fifteen terrorists were killed in the 28 October attack on Cangari Village, 5 km from Huanta. (Lima EXPRESO in Spanish 29 Oct 91 p A9)

On 29 October, police found an arsenal of weapons, explosives, and modern communication equipment in two stolen cars. The vehicles were left outside the Campo de Marte parade ground, near the Peruvian Air Force Command in Jesus Maria District. (Lima LA REPUBLICA in Spanish 30 Oct 91 p 25)

During a joint action on 27 October, Technical Police and Army personnel arrested 17 terrorists after a clash on the outskirts of Huancavelica City. (Lima LA REPUBLICA in Spanish 31 Oct 91 p 26)

Uruguay

Lacalle Meets With Canary Islands President

PY0611010891 Montevideo Radio Carve in Spanish 2300 GMT 5 Nov 91

[Report by Lino Torres from Government House]

[Text] Canary Islands President Geronimo Saavedra has reported on the possibilities offered by his government for Latin America's economic development.

The visitor was received a few hours ago by the chief of state, Dr. Luis Alberto Lacalle. Saavedra invited Lacalle to visit the Canary Islands.

Incidentally, talking about the facilities enjoyed by exporters to the Canary Islands, Geronimo Saavedra said:

[Begin recording] I also have met with the authorities of this Republic to inform them about the possibilities the Canary Islands offer for Latin America's economic development because the Canary Islands enjoy a special status within the EC. Although the Canary Islands are part of Spain, they have a statute that allows them to continue importing products, food, and raw materials from third countries that are not EC members to transform them there and reexport them. These imports are not subject to any restrictive system nor the implementation of any EC tariffs.

Uruguayan meat exporters already are taking advantage of this feature. They are shipping between 4,000 and 6,000 metric tons of Uruguayan meat to the Canary Islands every year. I believe this can be expanded and developed. One must bear in mind that the Canary Islands are the nearest place to the EC and also are part of the EC. The Canary Islands are also an important place for storage and transformation [of products] bound for the West African market. [end recording]

Mr. Saavedra will hold a news conference on 6 November at 1800 at the Official Spanish Chamber of Commerce, Industry and Navigation [Camara Oficial Espanola de Comercio, Industria, y Navegacion]. He will leave our country on 7 November at 1400, returning to Madrid.

Aeroflot Inaugurates Montevideo-Moscow Service

PY0711221891 Montevideo EL PAIS in Spanish 30 Oct 91 p 9

[Excerpts] Aeroflot, the Soviet airline company, yesterday inaugurated Montevideo-Moscow and Moscow-Montevideo flights. An airplane, coming from Moscow with a stopover in Sal Island, Cape Verde, arrived at 1210 sharp, without a minute of delay, as scheduled. Only one passenger disembarked in Carrasco while the rest of the passengers went on to Santiago, Chile. [passage omitted]

Departures from Montevideo to Moscow will take place on Tuesdays and Saturdays at 2040 and 2140, respectively, returning on Mondays and Fridays.

Linking the USSR with Uruguay through this company was achieved, after a number of meetings, on 6 September 1991 by an agreement signed between Foreign Minister Gros Espiell and USSR Ambassador to Uruguay Igor Laptev. [passage omitted]

Venezuela

Caracas Paralyzed by 12-Hour General Strike

PA0711181191 Madrid EFE in Spanish 1512 GMT 7 Nov 91

[Text] Caracas, 7 Nov (EFE)—A 12-hour general strike on 7 November has paralyzed all activities in the Caracas Federal District, where 4 million of the country's 17 million inhabitants live. Meanwhile, disturbances were reported throughout the rest of the country during protests against the government's economic policy.

So far, it is known that seven people have been wounded in related incidents.

Approximately 700,000 workers of the Federal District and the municipalities of Sucre and Libertador, which encompass the entire metropolitan area of the Venezuelan capital, joined the strike called by the country's main labor confederations.

The most important disturbances took place in San Felix, 700 km south of Caracas, where groups of students clashed with the National Guard. Radio stations reported that seven demonstrators were wounded.

The strike also affects Los Teques, an industrial area 45 km west of Caracas and capital of Miranda State, where the workers obeyed the strike call of the labor organizations.

A spokesman for the Confederation of Venezuelan Workers (CTV), the country's largest labor organization, told EFE today that it was a total strike in Caracas and Los Teques.

In a message broadcast over the radio to the country, Venezuelan President Carlos Andres Perez stated that the strike is "unjustified" and added that no reasons exist for the workers' absenteeism from work.

The CTV, the General Confederation of Workers [Confederacion General de Trabajadores—CGT], the United Federation of Venezuelan Workers, and the Committee of Autonomous Unions (Codesa) have indicated that if the government does not accept their demands, they will call new nationwide strikes.

The unions are demanding a wage increase to compensate for the increase in the cost of living, which this year has risen 30 percent. They also demand the repeal of the hike in the price of gasoline, which has increased more than 100 percent in 1991.

They are demanding the reorganization of the Social Security Institute, the suspension of the dismissal of more than 300,000 government workers, and the withdrawal of a bill on social benefits that is to be debated in Congress and which modifies the current law.

Although President Perez asked workers not to heed the strike call, there was total absenteeism in the Venezuelan capital.

Neither banks nor stores opened their doors and public transportation, including the Caracas Metro, did not provide service, which affected all other activities.

Early on 7 November, police patrol cars were evident in the Venezuelan capital, where only small food stores decided to open their doors.

Late on 6 November, there were student disturbances in the Central University of Venezuela (UCV) and in front of Miraflores Palace, where the Presidency is located.

In some low-income neighborhoods, there were protests on 7 November against the lack of water and the increase in transportation fares.

Labor organizations have indicated that if the government does not meet their demands, they will call another strike on 14 November in the central states of Aragua and Carabobo and the southern state of Bolivar, where most of the country's labor force lives.

Perez Contends No Justification

PA0711172591 Caracas Venezolana de Television Network in Spanish 1600 GMT 7 Nov 91

[Text] In a communique issued by the Interior Ministry, the Venezuelan Government made known to the country, especially to the residents of the Caracas Federal District and Miranda State, that the strike called by the workers confederation has no justification. It urged workers to go to work. The executive branch promised to guarantee normal government activities and reiterated that the security forces will fulfill their duty to maintain and control public order. The government also stated that it established contact with the labor leaders to advise them why it is not willing to change its economic policy guidelines and why productive activities should not be interrupted without justification, a situation that will lead to a delay in resolving Venezuela's current crisis.

President Carlos Andres Perez also made known his position on the strike. He reiterated that Venezuela's situation demands more work and not this kind of action by the unions.

[Begin Perez recording] I want to state—with full respect to a movement which has such importance and significance for the country and which the government is always willing to strengthen and support—that there is no reason for the strike. Venezuela is progressing. We are dealing successfully with our serious problems. We do not deny that there are difficulties, but we are on the way to overcoming them. Even the unemployment problem is being overcome. The construction sector has created new jobs in the country. The government's social programs, which we maintain with pride, have also begun to overcome the temporary situation we are experiencing. Therefore, even though we respect the workers right to make their decisions, I believe that all Venezuelans understand the situation and that this is not the time to go on strike, but to work. [end recording]

Top Labor Leader on Strike

PA0711173091 Caracas Venezolana de Television Network in Spanish 1604 GMT 7 Nov 91

[Text] The nation's labor unions are at the Federation of Venezuelan Workers [CTV] headquarters to coordinate the strike that has been staged in Caracas, as well as in the states of Miranda and Bolivar. We will now talk with CTV President Antonio Rios who will give us a detailed report on the current situation as of noon today.

[Begin Rios recording] The strike situation is normal, the workers have responded to our call. Let us hope that the government will understand our position. This strike is a request for the government to take up the five points we have outlined to which we have now added the need to incorporate a family basket and, of course, the salary policy and a change in its economic policy. [end recording]

The union leaders will remain at the CTV's headquarters until 1800 on 7 November when the strike is scheduled to end.

Party Leaders Comment

PA0711174791 Caracas Venezolana de Television Network in Spanish 1602 GMT 7 Nov 91

[Text] At the National Congress our reporter Zaida Pereira obtained comments from several party leaders regarding the strike called by the Confederation of Venezuelan Workers [CTV].

[Pereira] Henry Ramos, head of the Democratic Action (AD) bloc in Congress, said:

[Begin recording] At the conclusion of today's debate we in the AD faction decided not to support the strike. However, we did decide to leave our fellow deputies who are labor leaders free to vote any way they please. Some of them represent class organizations or labor interests and, as you know, the four labor confederations joined together to call this strike. [end recording]

Although the Social Christian Party [COPEI] bloc appeared to hold a similar position, it focused on the problem from another perspective.

[Begin recording] [COPEI congressional leader Hilarion Cardozo] We have not expressed an opinion. We have not agreed on a stand. We have not even discussed the issue.

[Unidentified reporter] But do you or do you not support the strike?

[Cardozo] I just told you. The party does not have to support or oppose the strike. The party simply believes that whether or not it shares the views of the labor leaders they are autonomous and should proceed according to their responsibilities to the labor movement. [end recording]

For its part, members of the opposition party Movement Toward Socialism [MAS] believe that there is a legitimate reason for the strike.

[Begin recording of MAS Deputy Orlando Fernandez] We proposed support for the strike. We proposed that a nominal vote be called so that the people would find out who is on their side and who is not. Here in Congress many are not on the people's side but when they are on the campaign trail they will rend their garments and say that they care about the working class and the poor. But when they are called upon to condemn something or to provide support for an action that benefits the people, then they back away for political reasons. [end recording]

CTV leader Antonio Rios has announced that if the government does not respond to the workers' demands, the strike will continue next week and will be expanded to Carabobo, Aragua, and other states.

Buses Burned in Bolivar

PA0711185891 Hamburg DPA in Spanish 1815 GMT 7 Nov 91

[Text] Caracas, 7 Nov (DPA)—Thirteen buses were set on fire on 7 November in Bolivar State in the first incident of violence during a civil strike called by Venezuela's four labor confederations to protest the economic policy of the administration of President Carlos Andres Perez.

In southern Bolivar State, where Venezuela's heavy industry is located, there were strong clashes between civilians and policemen, which left a toll of six wounded and at least 50 arrests. Nevertheless, the city of Caracas and its adjacent areas remain calm.

Meanwhile, Radio Puerto Ordaz reporters told DPA that the clashes in the town of San Felix, more than 550 km southeast of Caracas, broke out when a group of civilians tried to prevent several heavy vehicles from crossing the bridge over the Caroni River, where the Guri hydroelectric plant is located.

According to the radio station, 13 buses and five vehicles traveling near the bridge were set on fire.

Radio YVKE Musical also reported that in San Felix, several businesses, including bakeries, liquor stores, and supermarkets, were looted.

Meanwhile, calm continues in the Caracas Federal District, Vargas Municipality, and Miranda State. Most of the business establishments are closed and the public transportation workers have heeded the strike call.

The strike was called by the Confederation of Venezuelan Workers (CTV), which has 2 million members, and three smaller labor organizations to demand that the government repeal the increase in the price of gasoline, order a freeze on the price of the basic food basket, and establish wage compensation, among other measures.

Guayana City Violence Noted

PA0711190591 Mexico City NOTIMEX in Spanish 1820 GMT 7 Nov 91

[Excerpt] Caracas, 7 Nov (NOTIMEX)—In eastern Venezuela on 7 November a group of unidentified persons set six buses and a cargo truck on fire and looted stores, as part of a 12-hour strike that affects Caracas and two provinces.

The authorities confiscated from local legislators Mansul Campo and Victor Mesoni 150 bottles used for Molotov cocktails in Guayana City, 950 km southeast of Caracas, Bolivar State Governor Americo De Garacia reported.

De Gracia told Caracas radio station "YBKE Mundial" that the demonstrators "wear masks and want to turn Guayana City into a political battlefield."

The local government recommended that shops close until the situation is brought under control, while De Gracia, who spoke from the state capital of Ciudad Bolivar, said that the National Guard and the police intervened to prevent further outbreaks.

De Gracia, however, did not say if anyone was killed or wounded in the disturbances, neither did he report whether

the two legislators, Campo and Mesoni, were placed under arrest following the confiscation. [passage omitted]

Workers End Strike

PA0811033291 Paris AFP in Spanish 0111 GMT 8 Nov 91

[Text] Caracas, 7 Nov (AFP)—The strike that paralyzed Caracas and Guayana City, in the country's southeastern industrial region, ended at 1800 (2200 GMT) on 7 November without any major incidents in the capital, but with demonstrations in the province.

Labor unions called the strike to protest the deterioration of the Venezuelans' standard of living and the monthly hikes in the price of gasoline. However, President Carlos Andres Perez, a social democrat, said the action was "unjustified."

Steel industry workers clashed with the police in Ciudad Guayana while trying to block the bridge over the Caron River, which links the two sides of that industrial and mining city located some 500 km southeast of Caracas.

Deputy Pablo Medina, leader of Radical Cause, the predominant leftist party in the area, said that two people were wounded, one of them by a bullet; six buses and a truck were burned; and some establishments were looted during the riots.

In San Cristobal, in the country's southwestern region, groups of students participated in street demonstrations, but the rest of the province worked in relative calm.

Caracas, however, resembles a ghost town, with public transportation totally paralyzed; no newspapers circulating; and banks, stores, offices, factories, and schools closed.

The only serious incident reported at the end of the strike was the arrests that took place at an office in downtown Caracas. The director of "PATRIA NUEVA," former guerrilla commander Gabriel Puerta, and a dozen leftist students who edit the newspaper were arrested.

Suriname

Constitutional Changes Drafted To Cut Army Power

PM0511121291 Amsterdam DE VOLKSKRANT in Dutch 2 Nov 91 p 3

[Wim Noordegraaf report: "Suriname Writes the Power of the Army Out of the Constitution"]

[Text] Paramaribo—The Surinamese Government, headed by President Venetiaan, is working on changes to the Constitution which will take away the political influence of the Army. The first proposals to this end have been submitted to parliament. According to the proposed changes, the Army leadership and its men must in the future restrict their activities to "the defense of sovereignty and territorial integrity."

Bouterse will remain Army leader, but will no longer be able to surround himself with a "military authority" elected within barracks. The term "military authority" will also disappear from the Constitution. The government has also held out the prospect of laws in which the line of command from President Venetiaan as supreme commander down to Bouterse as Army leader will be fixed.

The Venetiaan/Ajodhia government announced these measures on the same day that they took office, keeping election promises made in May by the New Front coalition.

In a first step to "trim down the Army" the Surinamese Government will suspend conscription. According to Vice President Ajodhia the government "seeks a semi-professional army." Only if the National Assembly sees "special circumstances," would new intakes of conscripts be drafted. Venetiaan has already said that he wants to cut the Army back to one-third of the approximately 3,500 soldiers currently on the payroll. While this process is going on attempts will be made to find alternative employment.

The proposed constitutional changes have been thoroughly discussed in advance with the Army leadership. After the talks with the Army, Defense Minister S. Gilds spoke of "fundamental differences of opinion" between the government and the Army leadership over the role of the Army. However, according to Gilds, there is no reason to assume that the Army will oppose the new policy.